

1998 Survey of Small Business Finances

Main - December 20, 1999
Survey Questionnaire

Division of Research and Statistics
Board of Governors of the Federal Reserve System
Washington, DC 20551

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Chicago, Illinois 60603

Table of Contents

SECTION I: CHARACTERISTICS OF THE FIRM

A.	SCREENING INFORMATION	1-6
	Screen for Owner	1
	Screen for Eligibility	3
	Employment	5
B.	ORGANIZATION DEMOGRAPHICS	7-9
C.	PERSONAL CHARACTERISTICS OF OWNER(S)	10-22
	Sole Proprietorships and Single Owners/Stockholders	10
	Partnerships	13
	S-Corporations and Corporations	18
D.	FIRM DEMOGRAPHICS	23-24
N.	RECORDS	25

SECTION II: SOURCES OF FINANCIAL SERVICES

E.	USE OF DEPOSIT SERVICES	26-29
	Checking Accounts	26
	Savings Accounts	28
F.	USE OF CREDIT AND FINANCING	30-50
	Credit Cards	30
	Lines of Credit	32
	Leases	36
	Mortgages	38
	Motor Vehicle Loans	41
	Equipment Loans	44
	Loans from Partners/Stockholders	47
	Other Loans	48
MRL.	MOST RECENT LOAN SECTION	51-59
G.	USE OF OTHER FINANCIAL SERVICES	60-64
	Transaction Services	60
	Cash Management Services	61
	Credit Related Services	62
	Trust Services	63
	Brokerage Services	64

Table of Contents (continued)

H.	RELATIONSHIPS WITH FINANCIAL INSTITUTIONS	65-68
	Primary Source & Loops Through Other Institutions	65-68
	<i>Characteristics of Financial Institutions/Sources</i>	66
	<i>Location Used Most Frequently</i>	67
L.	TRADE CREDIT	69-73
M.	NEW EQUITY INVESTMENTS IN THE FIRM	74-76
	S-Corporations and Corporations	75

SECTION III: INCOME AND EXPENSES

P.	INCOME AND EXPENSES	77-88
	Sole Proprietorships	82
	Partnerships and S-Corporations	84
	Corporations	86

SECTION IV: BALANCE SHEET

R.	ASSETS	89-98
S.	LIABILITIES AND EQUITY	99-108
	Partnership Equity	105
	S-Corporation and Corporation Equity	107
U.	CREDIT HISTORY	109-113

SECTION I: CHARACTERISTICS OF THE FIRM**PROXY BREAKPOINT QUESTION**

Accessed at Any Point in the Interview as Appropriate

BP1. IS THE RESPONDENT A PROXY FOR THE OWNER?

YES → **GO TO BP2**

NO → **RETURN TO BREAKOFF POINT**

BP2. RECORD PROXY'S NAME: _____

BP3. RECORD PROXY'S TITLE: _____

BP4. RECORD Q AT WHICH THE PROXY BEGAN: _____ → **RETURN TO BREAKOFF POINT**

Subsection A. SCREENING INFORMATION**Screen for Owner**

INTRO: Hello, my name is _____. I'm calling from the National Opinion Research Center at the University of Chicago on behalf of the Federal Reserve Board.

A1. May I speak with ([OWNER]/the owner of [FIRM NAME])?

OWNER - PROCEED WITH INTERVIEW	1	→	GO TO READ1
OWNER NOT AVAILABLE	2	→	GO TO A1.2
[OWNER] NO LONGER WITH [FIRM]	3	→	GO TO A1.1
OWNER DESIGNATES PROXY FOR INTERVIEW	4	→	GO TO READ1
NEW OWNER, DESIGNATES PROXY FOR INTERVIEW ...	5	→	GO TO A1.1
[OWNER] NOT AVAILABLE, OTHER OWNER AVAILABLE	6	→	GO TO A1.1

A1.1 Who is (currently the/another) owner of [FIRM]?

UPDATE PRELOADED OWNER NAME INFORMATION

NAME: _____ → **GO BACK TO A1**

A1.2 Please tell me when [OWNER] will be available and I'll call back later.

UPDATE TNMS WITH DATE AND TIME FOR CALL BACK

READ: Thank you very much. Good-bye.

READ1: We sent you a package of materials describing the Survey of Small Business Finances, which we are conducting on behalf of the Federal Reserve Board. Your firm has been selected to represent other businesses like yours across the country. The survey is being conducted to provide the Federal Reserve Board with information on the cost and availability of financing to small businesses. With a better understanding of the experiences of small businesses and their owners, public policy affecting the cost and availability of financial services can be more accurately evaluated and improved for small businesses.

A3. Is [FIRM]'s mailing address [ADDRESS, CITY, STATE, ZIP]?

YES	..... 1	➔	GO TO A3.2
NO	..... 2	➔	GO TO A3.1
DK or RF	..... DK or RF	➔	GO TO A3.2

A3.1 What is [FIRM]'s correct mailing address?

UPDATE PRELOADED MAILING ADDRESS INFORMATION

ADDRESS: _____
 CITY: _____
 STATE: _____ ZIP: _____

A3.2 Is the physical address of the main office the same as the mailing address?

YES	..... 1	➔	GO TO A3.4
NO	..... 2		
DK or RF	..... DK or RF	➔	GO TO A3.4

A3.3 What is the street address, city, state, and ZIP Code area of the physical location of the main office of the business?

ADDRESS: _____
 CITY: _____
 STATE: _____ ZIP: _____

A3.4 In what [county/borough/parish] is the firm's main office located?

USE "COUNTY" UNLESS STATE=LA (SUBSTITUTE "PARISH") OR STATE=AK or NY
 (SUBSTITUTE "COUNTY OR BOROUGH")

IF NOT LOCATED IN A COUNTY, ENTER "NONE"

COUNTY: _____
 DK or RF DK or RF

A4. I have (you/[OWNER]) listed as the [OWNER TITLE]. Is that still (your / his/her) correct title?

YES	..... 1	➔	GO TO SKIP1
NO	..... 2	➔	GO TO A4.1
DK or RF	..... DK or RF	➔	GO TO SKIP1

A4.1 What is (your/[OWNER's]) correct title?

UPDATE PRELOADED TITLE INFORMATION

TITLE: _____ ➔ **GO TO SKIP1**

SKIP1

If ELIGIBILITY FLAG = 7, i.e., screened w/OWNER & A1.1 is skipped	➔	SKIP TO SECTION B
If ELIGIBILITY FLAG = 7, i.e., screened w/OWNER & A1.1 is filled	➔	GO TO A4.2
ALL OTHERS CONTINUE WITH ELIGIBILITY QUESTIONS	➔	GO TO A5

A4.2 When we called your business on [SCREENING DATE], we learned that [SCREENER OWNER NAME] was the owner. What has changed since then?

NAME CHANGED, SAME OWNER	..... 1	➔	SKIP TO SEC B
ONE OF MANY OWNERS	..... 2	➔	SKIP TO SEC B
SCREENER OWNER NO LONGER WITH FIRM/RETIRED/DECEASED	..... 3	➔	GO TO A5
DIFFERENT FIRM OWNERSHIP	..... 4	➔	GO TO A5
DK or RF	..... DK or RF	➔	GO TO A5

Screen for Eligibility

A5. I have recorded that the business was in operation under the direction of one or more of the current owners during December 1998. Is that correct?

PROMPT: The business was in operation if it was generating expenses or revenue during December 1998.

YES	..... 1	
NO	..... 2	➔ GO TO CLOSE1
DK or RF	..... DK or RF	➔ PROMPT FOR YES/NO RESPONSE BEFORE ACCEPTING DK/RF; GO TO CLOSE2

A6. I have recorded that this is the headquarters or main office of [FIRM]. Is that correct?

YES 1
 NO 2
 DK or RF DK or RF

→ GO TO CLOSE1
 → PROMPT FOR
 YES/NO RESPONSE
 BEFORE ACCEPTING
 DK/RF; GO TO CLOSE2

A7. Does another company own 50% or more of [FIRM]?

PROMPT: That is, is [FIRM] a majority-owned subsidiary of another business?

YES 1
 NO 2
 DK or RF DK or RF

→ GO TO CLOSE1
 → PROMPT FOR
 YES/NO RESPONSE
 BEFORE ACCEPTING
 DK/RF; GO TO CLOSE 2

A8. My records show that [FIRM] is a for-profit organization. Is that correct?

PROMPT: Not-for-profit firms have a special designation from the IRS. I understand that [FIRM] **does not** have this special designation or recognition from the IRS as a not-for-profit organization. Is that correct?

YES, [FIRM] IS FOR-PROFIT 1
 NO, [FIRM] IS NOT-FOR-PROFIT 2
 DK or RF DK or RF

→ GO TO CLOSE1
 → PROMPT FOR A
 YES/NO RESPONSE
 BEFORE ACCEPTING
 DK/RF; GO TO CLOSE2

A9. Is [FIRM] owned by a local, state, or federal government agency?

YES 1
 NO 2
 DK or RF DK or RF

→ GO TO CLOSE1
 → PROMPT FOR A
 YES/NO RESPONSE
 BEFORE ACCEPTING
 DK/RF; GO TO CLOSE2

Employment

READ2: We would like to confirm the total number of individuals that worked at [FIRM] during a typical pay period in 1998. First, I'm going to ask about the owners:

A10.1 How many owners worked in [FIRM] during a typical pay period in 1998?

NUMBER: _____
DK or RF DK or RF

A10.2 Other than owners, how many individuals worked for [FIRM] during a typical pay period in 1998?

NOTE: PART-TIME & FULL-TIME WORKERS ARE EACH COUNTED AS "ONE" INDIVIDUAL WORKER

NUMBER: _____ → **GO TO SKIP2**
DK or RF DK or RF → **GO TO SKIP2**

RANGE CHECK: A10.1 and A10.2 >= 0

SKIP2

CALCULATE: TOTAL EMPLOYEES = A10.1 + A10.2

TOTAL EMPLOYEES <500 & >0	→	GO TO B1
TOTAL EMPLOYEES = DK OR RF	→	GO TO A10.3
TOTAL EMPLOYEES = 0	→	GO TO A10.4
TOTAL EMPLOYEES >=500	→	GO TO CLOSE1

A10.3 I understand that you may not be able to tell me the exact number of employees, however, can you tell me the approximate number of individuals, including owners, that worked for [FIRM] during a typical pay period in 1998, was it (**READ RANGES**)...

Less than 5	..... 1	→	GO TO B1
Between 5 and 9	..... 2	→	GO TO B1
Between 10 and 19	..... 3	→	GO TO B1
Between 20 and 49	..... 4	→	GO TO B1
Between 50 and 99	..... 5	→	GO TO B1
Between 100 and 499	..... 6	→	GO TO B1
Greater than or equal to 500	..... 7	→	GO TO CLOSE1
ELIGIBLE, OTHER: Please specify: _____	..... 8	→	GO TO B1
DK or RF	..... DK or RF	→	GO TO CLOSE2

A10.4 You're reporting that zero individuals worked for [FIRM] during a typical pay period. Most companies have at least one worker during a typical pay period. How is it that [FIRM] operated in 1998 with zero workers?

SPECIFY: _____ ➔ **GO TO B1**

CLOSE1: This is a survey of independent, privately owned, for-profit small businesses that were in business and are filing business tax forms for 1998. Unfortunately, your business does not qualify for this survey. However, I appreciate your taking the time to talk with me. Thank you. Goodbye.

CLOSE2: Thank you very much for your help. This is a survey of independent, privately owned, for-profit small businesses that were in business and are filing business tax forms in 1998. We need to be certain that [FIRM] qualifies in this way before we proceed. Since we were unable to verify all of these qualifications, I'll have to thank you for your time for now. Goodbye.

Subsection B. ORGANIZATION DEMOGRAPHICS

B1. Our records indicate the principal activity of the firm is [DNB SIC CODE DESCRIPTION]. Is that correct?

PROMPT: ADDITIONAL DESCRIPTION - [ALTERNATE SIC CODE DESCRIPTION]

PROMPT: We need to generally classify your firm's activities. Do your firm's activities fall under that description?

YES	..... 1	➔	GO TO SKIP3
NO	..... 2		
DK or RF	..... DK or RF		

B1.1 What is the principal activity of the business?

PROMPT: That is, what does the business do or make?

SKIP3

FISCAL YEAR PRELOAD IS FILLED	➔	GO TO B2
FISCAL YEAR PRELOAD IS DK or RF	➔	GO TO B2.1

B2. My records show that the fiscal year for [FIRM] ended on [FY END DATE]. Is that correct?

YES	..... 1	➔	GO TO B3
NO	..... 2		
DK or RF	..... DK or RF	➔	GO TO B3

B2.1 What is the last day of [FIRM's] fiscal or tax year?

PROMPT: On what date does [FIRM's] fiscal year end?

MONTH: _____ DAY: _____
DK or RF DK or RF

B3. For (1998/the fiscal year ending [DATE]), is [FIRM] considered to be a sole proprietorship, a partnership, an S-corporation, or a C-corporation?

PROMPT: A sole proprietorship is an unincorporated business owned by a single person. The individual proprietor has the right to all the profits from the business and also the responsibility for all the business's liabilities.

PROMPT: A partnership is an unincorporated form of business in which two or more owners agree to split the profits/losses or capital of the business in a particular fashion. There may be limited and/or general partners.

PROMPT: A limited liability partnership (or LLP) is a business owned by two or more owners where the partners' liability is limited to their investment in the partnership, and each of the partners has protection against personal liability for partnership liabilities.

PROMPT: An S-corporation is a corporation that does not pay tax on its income. To qualify for S-corporation status, the business (1) must be a U.S. corporation, (2) must have only one class of stock and no more than 75 shareholders, and (3) may not have certain organizations or non-U.S. citizens as shareholders.

PROMPT: A C-corporation (or corporation) is a business that has been granted a state charter recognizing it as a separate legal entity having its own rights, privileges, and liabilities distinct from those of the individuals that form the business.

PROMPT: A limited liability company (or LLC) is an entity which is established as a corporation under state law. The entity has the same limited liability characteristics as a corporation, while having the same tax characteristics of a partnership. LLC owners may actively participate in the organization's management and are protected against personal liability for the organization's debts/liabilities.

IF R VOLUNTEERS LLC, READ: Do you file your taxes as a partnership, a corporation or a sole proprietor? (IF R DOESN'T KNOW, CODE "PARTNERSHIP").

IF R VOLUNTEERS LLP, READ: Do you file your taxes as a partnership or a corporation? (IF R DOESN'T KNOW, CODE "PARTNERSHIP").

SOLE PROPRIETORSHIP	1	→ GO TO SKIP4
PARTNERSHIP	2	→ GO TO SKIP4
LLP, TAX FILED AS PARTNERSHIP	3	→ GO TO SKIP4
LLP, TAX FILED AS CORPORATION	4	→ GO TO SKIP4
S-CORPORATION	5	
C-CORPORATION	6	
LLC, TAX FILED AS PARTNERSHIP	7	→ GO TO SKIP4
LLC, TAX FILED AS CORPORATION	8	
LLC, TAX FILED AS SOLE PROPRIETOR . . .	9	→ GO TO SKIP4
DK OR RF	DK or RF	→ PROMPT FOR A RESPONSE BEFORE ACCEPTING DK OR RF; GO TO CLOSE3

SOFT RANGE CHECK: IF A10.1 IS >1 AND B3=1, DISPLAY ERROR MESSAGE

“Please clarify - your business is a Sole Proprietorship but I recorded that [A10.1] owners work at the firm.”

IWER INFO: BACK-UP AND FIX THE RESPONSE TO THE APPROPRIATE QUESTION

SOFT RANGE CHECK: IF B2 OR B2.1 ARE NOT 12/31 AND B3=1, DISPLAY ERROR MESSAGE

“Please clarify - your business is a Sole Proprietorship but I recorded that your fiscal year end date is not 12/31.”.

IWER INFO: BACK-UP AND FIX THE RESPONSE TO THE APPROPRIATE QUESTION

SKIP3.5

IF MORE THAN ONE OWNER REPORTED, A10.1 > 1 → **GO TO SKIP4**

IF ONE OR NO OWNERS REPORTED, A10.1 = 1, 0, DK, RF → **GO TO B3.1**

B3.1 Does [FIRM] have more than one owner or stockholder?

YES	.....	1
NO	.....	2
DK or RF	.....	DK or RF

→ **ALL RESPONSES GO TO SKIP4**

CLOSE3: Thank you very much for your help. We need to verify this critical information for [FIRM] before we proceed. Since we were unable to verify this information, I'll have to thank you for your time for now. Goodbye.

SKIP4

SOLE PROPs and SINGLY OWNED CORPORATIONS → **GO TO SKIP5**

- a) SOLE PROPs;
- b) LLCs filing AS SOLE PROP; and
- c) C-CORPs, S-CORPs, and LLCs filing as CORP where B3.1=2

PARTNERSHIPS → **GO TO C10**

- a) PARTNERSHIPS; and
- b) LLPs and LLCs filing as PARTNERSHIP

LLPs Filing as Corp → **GO TO SKIP7**

ALL OTHER FIRMS WITH MULTIPLE OWNERS → **GO TO SKIP7**

C-CORPs, S-CORPs, and LLCs filing as CORP where (B3.1=1, DK or RF) or A10.1>1

Subsection C. PERSONAL CHARACTERISTICS OF OWNER(S)**Sole Proprietorships and Single Owners/Stockholders****SKIP5**

If ELIGIBILITY FLAG = 7, i.e., screener completed w/OWNER & A1.1 is skipped

→ SKIP TO C3

ALL OTHERS CONTINUE WITH RACE QUESTIONS

→ GO TO READ3a

READ3a: As part of our effort to represent the experience of the nation's small businesses, it is important that we include the experiences of all ethnic and racial groups.

C1. [Are you/Is the owner of the firm] of Hispanic, Latino or Spanish origin or descent?

PROMPT: This group includes people of Mexican, Puerto Rican, Cuban, Central and South American, and any other Spanish background.

YES 1
 NO 2
 DK or RF DK or RF

C2. Please tell me which category best describes [your/the owner's] racial background: Is it White, African-American, Asian, Native Hawaiian or other Pacific Islander, American Indian or Alaska Native?

WHITE 1
 BLACK/AFRICAN-AMERICAN 2
 ASIAN 3
 NATIVE HAWAIIAN OR OTHER PACIFIC ISLANDER 4
 AMERICAN INDIAN OR ALASKA NATIVE 5
 OTHER 6

→ READ: Please specify_____

DK or RF DK or RF

C3. The answers to some of these questions may seem obvious, but I have to ask each question as it appears on my screen. [Are you/Is the owner] female or male?

FEMALE 1
 MALE 2
 DK or RF DK or RF

C4. What is [your age/the age of the owner]?

YEARS: _____ → **GO TO C5**
 DK or RF DK or RF

SOFT RANGE CHECK: OWNER AGE ≥ 15 AND ≤ 110
RANGE CHECK: OWNER AGE ≥ 0 AND ≤ 150

C4.1 Can you please tell me [your/the owner's] approximate age? Is it...

IWER INFO: IF THE RESPONDENT'S ESTIMATE IS TOO BROAD AND WILL NOT ALLOW YOU TO CODE ONE RESPONSE, SELECT THE LOWER END OF THE RANGE AND CODE ACCORDINGLY.

15 to 21	1
22 to 27	2
28 to 33	3
34 to 39	4
40 to 45	5
46 to 55	6
56 to 65	7
66 to 75	8
76 or more	9
DK or RF	DK or RF

C5. What is the highest level of school (Business Owner NAME/you) (has/have) completed or the highest degree (Business Owner NAME/you) (has/have) received? (READ ONLY IF NECESSARY)

Less than high school degree (grade 11 or less)	1
High school graduate or equivalent (GED)	2
Some college but no degree granted	3
Associate degree occupational/academic program	4
Trade school/vocational program	5
College degree (BA, BS, AB, etc.)	6
Post graduate degree	7
(MBA, MS, MA, PhD, JD, MD, DDS, etc.)	
DK or RF	DK or RF

C6. How many years of experience [have you/has the owner] had managing or owning a business, including this business?

YEARS _____ → **GO TO C7**
 EX EX → **GO TO C7**
 DK or RF DK or RF

RANGE CHECK: DISALLOW IF C6 > (OWNER AGE - 15); EXPERIENCE ≥ 0 AND ≤ 95

C6.1 Can you please tell me the approximate number of years of business experience [you have/the owner has]? Is it...

Less than 1 year 1
 1-3 2
 4-6 3
 7-9 4
 10-15 5
 More than 15 years 6
 DK or RF DK or RF

C7. Who is responsible for the day-to-day management of the business: [you/the owner], or a hired employee or paid manager?

IWER INFO: IF R VOLUNTEERS BOTH AN OWNER AND A HIRED EMPLOYEE ARE RESPONSIBLE, CODE 1 FOR "OWNER".

OWNER 1
 HIRED EMPLOYEE/PAID MANAGER 2
 DK or RF DK or RF

C8. [Did you establish this business/Was this business established by the current owner], or was an existing business purchased, inherited, or acquired as a gift?

ESTABLISHED 1
 PURCHASED 2
 INHERITED OR ACQUIRED AS A GIFT 3
 DK or RF DK or RF

C9. In what year was the business [established/purchased/acquired] by the current owner?

YEAR: _____

EX EX
 DK or RF DK or RF

→ GO TO SECTION D

→ GO TO SECTION D

RANGE CHECK: YEAR >= 1900 and <=1998

C9.1 Can you please tell me approximately when the business was [established/purchased/acquired] by the current owners? Was it...

Less than 1 year ago 1
 1-3 years ago 2
 4-6 years ago 3
 7-9 years ago 4
 10-15 years ago 5
 More than 15 years ago 6
 DK or RF DK or RF

ALL RESPONSES

→

GO TO SECTION D

Partnerships

C10. How many partners does the firm have?

PROMPT: Include both general and limited partners.

NUMBER: _____

EX EX

DK or RF DK or RF

→ **GO TO SKIP6**

→ **GO TO SKIP6**

HARD RANGE CHECK: C10 MUST BE > 1; C10 MUST BE >= A10.1

C10.1 Can you tell me the approximate number of partners in the firm? Is it...

2 to 5 1
 6 to 10 2
 11 to 20 3
 21 to 35 4
 36 to 50 5
 51 to 75 6
 76 to 100 7
 More than 100 partners 8
 DK or RF DK or RF

SKIP6

If ELIGIBILITY FLAG = 7, i.e., screener completed w/OWNER & A1.1 is skipped

→ **GO TO C14**

ALL OTHERS CONTINUE WITH RACE QUESTIONS

→ **GO TO READ3b**

READ3b: As part of our effort to represent the experience of the nation's small businesses, it is important that we include the experiences of all ethnic and racial groups.

C11. Is more than 50% of the business owned by people who are of Hispanic, Latino or Spanish origin or descent?

PROMPT: This group includes people of Mexican, Puerto Rican, Cuban, Central and South American, or any other Spanish background.

YES 1

NO 2

EXACTLY 50% (VOLUNTEERED ONLY) 3

DK or RF DK or RF

C12. Is more than 50% of the business owned by people of African-American, Asian, Native Hawaiian or other Pacific Islander, American Indian, or Alaska Native descent?

YES	.....	1	
NO	.....	2	→ GO TO C14
EXACTLY 50% (VOLUNTEERED ONLY)	.....	3	
DK or RF	.....	DK or RF	→ GO TO C14

C13. Please tell me the minority race that owns (more than/exactly) 50% of [FIRM]?

IF R VOLUNTEERS MULTIPLE RACE, USE **CODE 6** AND ENTER RACES.

BLACK/AFRICAN-AMERICAN	.....	1
ASIAN	.....	2
NATIVE HAWAIIAN OR OTHER PACIFIC ISLANDER	.....	3
AMERICAN INDIAN OR ALASKA NATIVE	.....	4
OTHER	.....	5
	→ READ: Please specify	_____
MULTIPLE	.....	6
	→ READ: Please specify	_____
DK or RF	.....	DK or RF

C14. Is more than 50 percent of the firm owned by women?

YES	.....	1
NO	.....	2
EXACTLY 50% (VOLUNTEERED RESPONSE ONLY)	.....	3
DK or RF	.....	DK or RF

C15. Is more than 50 percent of the firm owned by a single family?

PROMPT: A single family does not need to be limited to an immediate family. It may include an extended family group related through marriage. Family includes brothers, sisters, parents, spouses, children, grandchildren, aunts, uncles, cousins, etc., either natural or adopted.

YES	.....	1
NO	.....	2
EXACTLY 50% (VOLUNTEERED RESPONSE ONLY)	.....	3
DK or RF	.....	DK or RF

C16. Who is responsible for the day-to-day management of the firm: a partner, or a hired employee or paid manager?

IWER INFO: IF R VOLUNTEERS BOTH A PARTNER AND A HIRED EMPLOYEE ARE RESPONSIBLE, CODE 1 FOR "PARTNER."

PARTNER 1
 HIRED EMPLOYEE/PAID MANAGER 2
 DK or RF DK or RF

READ4a: The next few questions refer to the principal owner of the firm. This is typically the partner who has the largest ownership share.

PROMPT IF TWO OR MORE WITH EQUAL SHARES: Please choose the partner who has the largest ownership share and full financial decision-making authority and answer for that individual.

IF THERE IS A TIE, LET THE RESPONDENT SELECT ONE PARTNER.

C17. What is the age of the principal owner?

YEARS: _____ → **GO TO C18**
 DK or RF DK or RF

SOFT RANGE CHECK: OWNER AGE >= 15 AND <= 110
RANGE CHECK: OWNER AGE >=0 AND <= 150

C17.1 Can you please tell me the principal owner's approximate age? Is it...

IWER INFO: IF THE RESPONDENT'S ESTIMATE IS TOO BROAD AND WILL NOT ALLOW YOU TO CODE ONE RESPONSE, SELECT THE LOWER END OF THE RANGE AND CODE ACCORDINGLY.

15 to 21 1
 22 to 27 2
 28 to 33 3
 34 to 39 4
 40 to 45 5
 46 to 55 6
 56 to 65 7
 66 to 75 8
 76 or more 9
 DK or RF DK or RF

C18. What is the highest level of school the principal owner has completed or the highest degree the principal owner has received? (READ ONLY IF NECESSARY)

Less than high school degree (grade 11 or less) 1
 High school graduate or equivalent (GED) 2
 Some college but no degree granted 3
 Associate degree occupational/academic program 4
 Trade school/vocational program 5
 College degree (BA, BS, AB, etc.) 6
 Post graduate degree 7
 (MBA, MS, MA, PhD, JD, MD, DDS, etc.)
 DK or RF DK or RF

C19. How many years of experience has the principal owner had managing or owning a business, including this business?

YEARS ➔ GO TO C20
 EX EX ➔ GO TO C20
 DK or RF DK or RF

RANGE CHECK: DISALLOW IF C19 > (OWNER AGE - 15); EXPERIENCE >=0 AND <= 95

C19.1 Can you please tell me the approximate number of years of business experience the principal owner has? Is it...

Less than 1 year 1
 1-3 2
 4-6 3
 7-9 4
 10-15 5
 More than 15 years 6
 DK or RF DK or RF

C20. What percentage of the business is owned by the principal owner?

PROMPT: What is the percent of capital owned by the principal owner? This information is listed on Schedule K-1 Line D, Ownership of capital at end of year.

PERCENTAGE: %
 DK or RF or EX DK or RF or EX

RANGE CHECK: C20 >0% AND <100%

C21. Was the business established by one or more of the current partners, or was an existing business purchased, inherited, or acquired as a gift?

ESTABLISHED 1
 PURCHASED 2
 INHERITED OR ACQUIRED AS A GIFT 3
 DK or RF DK or RF

C22. In what year was the business [established/purchased/acquired] by the current owners?

YEAR: _____

→ GO TO SECTION D

EX EX

→ GO TO SECTION D

DK or RF DK or RF

RANGE CHECK: YEAR \geq1900 AND \leq 1998

C22.1 Can you please tell me approximately when the business was [established/purchased/acquired] by the current owners? Was it...

Less than 1 year ago 1
 1-3 years ago 2
 4-6 years ago 3
 7-9 years ago 4
 10-15 years ago 5
 More than 15 years ago 6
 DK or RF DK or RF

ALL RESPONSES

→

GO TO SECTION D

S-Corporations and C-Corporations**SKIP7**

If ELIGIBILITY FLAG = 7, i.e., screener completed w/OWNER & A1.1 is skipped

→ GO TO C26

ALL OTHERS CONTINUE WITH RACE QUESTIONS

→ GO TO READ3c

READ3c: As part of our effort to represent the experience of the nation's small businesses, it is important that we include the experiences of all ethnic and racial groups.

C23. Is more than 50% of the business owned by people who are of Hispanic, Latino or Spanish origin or descent?

PROMPT: This group includes people of Mexican, Puerto Rican, Cuban, Central and South American, or any other Spanish background.

YES 1
 NO 2
 EXACTLY 50% (VOLUNTEERED ONLY) 3
 DK or RF DK or RF

C24. Is more than 50% of the business owned by people of African-American, Asian, Native Hawaiian or other Pacific Islander, American Indian, or Alaska Native descent?

YES 1
 NO 2 → GO TO C26
 EXACTLY 50% (VOLUNTEERED ONLY) 3
 DK or RF DK or RF → GO TO C26

C25. Please tell me the minority race that owns (more than/exactly) 50% of your business?

IF R VOLUNTEERS MULTIPLE RACE, USE **CODE 6** AND ENTER RACES.

BLACK/AFRICAN-AMERICAN 1
 ASIAN 2
 NATIVE HAWAIIAN OR OTHER PACIFIC ISLANDER 3
 AMERICAN INDIAN OR ALASKA NATIVE 4
 OTHER 5
 → READ: Please specify _____
 MULTIPLE 6
 → READ: Please specify _____
 DK or RF DK or RF

C26. Is more than 50 percent of the business owned by women?

YES 1
 NO 2
 EXACTLY 50% (VOLUNTEERED RESPONSE ONLY) 3
 DK or RF DK or RF

C27. Is more than 50 percent of the business owned by a single family?

PROMPT: A single family does not need to be limited to an immediate family. It may include an extended family group related through marriage. Family includes brothers, sisters, parents, spouses, children, grandchildren, aunts, uncles, cousins, etc., either natural or adopted.

YES 1
 NO 2
 EXACTLY 50% (VOLUNTEERED RESPONSE ONLY) 3
 DK or RF DK or RF

C28. Who is responsible for the day-to-day management of the business: an owner, a stockholder, or a hired employee or paid manager?

IWER INFO: IF R VOLUNTEERS BOTH AN OWNER AND A HIRED EMPLOYEE ARE RESPONSIBLE, CODE 1 FOR "OWNER".

OWNER/STOCKHOLDER 1
 HIRED EMPLOYEE/PAID MANAGER 2
 DK or RF DK or RF

READ4b: The next few questions refer to the principal owner of the firm. This is typically the owner who has the largest ownership share.

PROMPT IF TWO OR MORE WITH EQUAL SHARES: Please choose the owner who has the largest ownership share and full financial decision-making authority and answer for that individual.

IF THERE IS A TIE, LET THE RESPONDENT SELECT ONE OWNER

C29. What is the age of the principal owner?

YEARS: _____ → **GO TO C30**
 DK or RF DK or RF

SOFT RANGE CHECK: OWNER AGE >=15 AND <= 110
RANGE CHECK: OWNER AGE >=0 AND <= 150

C29.1 Can you please tell me [your/the owner's] approximate age? Is it...

IWER INFO: IF THE RESPONDENT'S ESTIMATE IS TOO BROAD AND WILL NOT ALLOW YOU TO CODE ONE RESPONSE, SELECT THE LOWER END OF THE RANGE AND CODE ACCORDINGLY.

15 to 21	1
22 to 27	2
28 to 33	3
34 to 39	4
40 to 45	5
46 to 55	6
56 to 65	7
66 to 75	8
76 or more	9
DK or RF	DK or RF

- C30. What is the highest level of school the principal owner has completed or the highest degree the principal owner has received? (READ ONLY IF NECESSARY)

Less than high school degree (grade 11 or less)	1
High school graduate or equivalent (GED)	2
Some college but no degree granted	3
Associate degree occupational/academic program	4
Trade school/vocational program	5
College degree (BA, BS, AB, etc.)	6
Post graduate degree	7
(MBA, MS, MA, PhD, JD, MD, DDS, etc.)	
DK or RF	DK or RF

- C31. How many years of experience has the principal owner had managing or owning a business, including this business?

YEARS	_____	→	GO TO C32
EX	..... EX	→	GO TO C32
DK or RF	..... DK or RF		

RANGE CHECK: DISALLOW IF C31 > (OWNER AGE - 15); EXPERIENCE >=0 AND <= 95

- C31.1 Can you please tell me the approximate number of years of business experience the principal owner has? Is it...

Less than 1 year	1
1-3	2
4-6	3
7-9	4
10-15	5
More than 15 years	6
DK or RF	DK or RF

- C32. What is the ownership share of the principal owner?

IWER INFO: IF EQUAL SHARES, ENTER THAT PERCENTAGE OWNERSHIP (MAXIMUM PERCENT OWNED BY ANY ONE SHAREHOLDER).

PERCENTAGE: _____ %
 DK or RF DK or RF

RANGE CHECK: SHARE SHOULD BE > 0% AND <100%

SKIP8

IF S-CORP	→	GO TO C35
ALL OTHERS	→	GO TO C33

C33. Is the corporation's stock traded on exchanges such as NASDAQ, the New York Stock Exchange, or the American Stock Exchange?

PROMPT: Is the corporation's stock publicly traded in markets that required it to file a 10-K, 10-Q, 10-KSB, or 10-QSB form with the Securities and Exchange Commission?

YES	..... 1		
NO	..... 2	→	GO TO C35
DK or RF	..... DK or RF	→	GO TO C35

C34. In what year was the firm's stock first publicly traded?

YEAR: _____		→	GO TO C37
EX	..... EX	→	GO TO C37
DK or RF	..... DK or RF		

RANGE CHECK: YEAR >= 1937 AND <=1998

C34.1 Can you please tell me approximately when the firm's stock was first publicly traded? Was it...

Less than 1 year ago	..... 1
1-3 years ago	..... 2
4-6 years ago	..... 3
7-9 years ago	..... 4
10-15 years ago	..... 5
More than 15 years ago	..... 6
DK or RF	..... DK or RF

ALL RESPONSES → GO TO C37

C35. Was the firm established by one or more of the current stockholders, or was an existing business purchased, inherited, or acquired as a gift?

ESTABLISHED 1
 PURCHASED 2
 INHERITED OR GIFT 3
 DK or RF DK or RF

C36. In what year was the firm [established/purchased/acquired] by the current owners?

YEAR: ➔ GO TO C37
 EX EX ➔ GO TO C37
 DK or RF DK or RF

RANGE CHECK: YEAR >=1900 AND <=1998

C36.1 Can you please tell me approximately when the business was [established/purchased/acquired] by the current owners? Was it...

Less than 1 year ago 1
 1-3 years ago 2
 4-6 years ago 3
 7-9 years ago 4
 10-15 years ago 5
 More than 15 years ago 6
 DK or RF DK or RF

C37. How many stockholders does [FIRM] have?

NUMBER: ➔ GO TO SECTION D
 EX EX ➔ GO TO SECTION D
 DK or RF DK or RF

**RANGE CHECK: STOCKHOLDERS >1
 IF C33=2 OR DK OR RF (NOT PUBLICLY TRADED), STOCKHOLDERS <500,
 IF FIRM IS S-CORP (B3=5), STOCKHOLDERS <=75, PROBE IF >75**

C37.1 Can you tell me the approximate number of stockholders this business has? Is it...

1 to 5 1
 6 to 10 2
 11 to 20 3
 21 to 35 4
 36 to 50 5
 51 to 75 6
 76 to 100 7
 More than 100 stock holders 8
 DK or RF DK or RF

**SOFT RANGE CHECK: IF FIRM IS S-CORP (B3=5), C37.1 ≠ CODE 7 OR 8;
 PROBE IF FIRM IS S-CORP (B3=5) AND C37.1 = 7 or 8**

Subsection D. FIRM DEMOGRAPHICS

D1. At how many different sites does the firm have offices, plants, or stores, including the main office?

PROMPT: A site is usually defined as an economic unit, generally at a single physical location, where business is conducted or services or industrial operations are performed.

NUMBER: _____ → **GO TO SKIP10**
 DK or RF DK or RF → **GO TO D1.1**

SOFT RANGE CHECK: NUMBER >0 AND < 1001

RANGE CHECK: NUMBER > 0 AND <5001

SKIP10

IF D1 = 1 → **GO TO D3**

IF D1 > 1 → **GO TO D2**

D1.1 Can you tell me approximately how many different sites this business has? Is it...

Less than or equal to 3 1

4 to 7 2

8 to 15 3

More than 15 4

DK or RF DK or RF

D2. Again including the main office, how many of these sites are located in the same (metropolitan area/county/parish/borough) as the main office? USE "METROPOLITAN AREA" FOR BUSINESSES IN METROPOLITAN AREAS, "COUNTY/PARISH/BOROUGH" FOR OTHER BUSINESSES.

NUMBER: _____
 DK or RF or EX DK or RF or EX

RANGE CHECK: IF D1>1 THEN D2 <= D1; IF D1.1=1 THEN D2<=3;

IF D1.1=2 THEN D2<=7; IF D1.1=3 THEN D2<=15

- D3. Where does the business primarily sell or deliver its products or services? In the same area as the firm's main office, within the geographic region, throughout the nation, outside the United States, or globally?

IN THE SAME AREA AS THE FIRM'S MAIN OFFICE 1
 WITHIN THE GEOGRAPHIC REGION 2
 THROUGHOUT THE NATION 3
 OUTSIDE THE UNITED STATES 4
 GLOBALLY/NATIONAL & INTERNATIONAL 5
 DK or RF DK or RF

- D4. Does [FIRM] use computers for business purposes?

YES 1
 NO 2 → **GO TO D6**
 DK or RF DK or RF → **GO TO D6**

- D5. Does [FIRM] use the computer ...? (CHECK ALL THAT APPLY)

to do PC Banking 1
 for an E-mail or Internet connection 2
 to purchase or sell business products and services via the Internet 3
 to apply for loans or other forms of credit online 4
 to manage inventory 5
 to manage the firm's accounts/bookkeeping 6
 for administrative support or functions 7
 OTHER, SPECIFY: _____ 8
 DK or RF DK or RF

- D6. What is the single most important problem facing your business today?

TAXES 1
 INFLATION 2
 POOR SALES 3
 FINANCING AND INTEREST RATES 4
 COST OF LABOR 5
 GOVERNMENT REGULATIONS/RED TAPE 6
 COMPETITION FROM LARGER FIRMS 7
 QUALITY OF LABOR 8
 COST AND AVAILABILITY OF INSURANCE 9
 OTHER 10

→ **READ:** Please specify _____
 DK or RF DK or RF

Subsection N. RECORDS

READ5: The next set of questions are about the firm's sources of financial services. These refer to (1998/the fiscal year ending [DATE]). In the package of materials we sent to you we included a worksheet and indicated that it would be most helpful to have completed the worksheet prior to the interview or to have your financial records available before we call you.

N1. Which type of written records are you using? (CHECK ALL THAT APPLY)

IWER INFO: IF R VOLUNTEERS "NONE", ONLY CODE 5, "FROM MEMORY" SHOULD BE SELECTED

COMPLETED IRS TAX FORMS OR ATTACHMENTS 1
 WORKSHEETS (WORKSHEETS WE SENT YOU) 2
 FINANCIAL STATEMENTS / ACCOUNTING REPORTS 3
 BANK STATEMENTS 4
 FROM MEMORY 5
 OTHER WRITTEN RECORDS 6

→ **READ:** Please specify _____

DK or RF DK or RF

ALL RESPONSES



GO TO SECTION II

SECTION II: SOURCES OF FINANCIAL SERVICES

THIS SECTION DEVELOPS A ROSTER OF INSTITUTIONS OR INDIVIDUALS THAT ARE SOURCES OF FINANCIAL SERVICES USED BY THE FIRM. AS THE RESPONDENT IDENTIFIES A NEW INSTITUTION OR INDIVIDUAL AS A SOURCE, THE SOURCE'S FULL NAME IS ENTERED ON THE NEXT LINE OF THE ROSTER AND IS ASSIGNED A SEQUENTIAL INSTITUTION ID CODE. WHEN THE RESPONDENT INDICATES USING A PARTICULAR SOURCE FOR A NAMED SERVICE, IT IS RECORDED. DK AND RF RESPONSES ARE NOT ALLOWED FOR SOURCE NAMES, BUT GENERIC NAMES ARE -- I.E., INST1, INST2, OR PERSON1, PERSON2, ETC. -- SOME DISTINCT NAME MUST BE RECORDED.

READ6: Throughout the rest of this interview, please answer for the entire company -- that is, the main office and all branches and subsidiary companies.

Now, if you have the worksheet(s) that we sent to you, please turn to the page headed "SSBF FINANCIAL SERVICES & SOURCES OF FINANCING WORKSHEET." It will also be helpful if you have your bank statements.

IWER INFO: ALLOW THE RESPONDENT TIME TO RETRIEVE THEIR RECORDS

Subsection E. USE OF DEPOSIT SERVICES

READ7: The first questions are about accounts and investments typically held in banks, savings institutions, and brokerage or mutual fund companies. The reference period for these questions is [year end 1998/(DATE)].

Checking Accounts

READ8: We're now going to talk about checking accounts for the firm.

E1. Did the firm have any checking accounts as of [year end 1998/(DATE)]?

PROMPT: Checking accounts include accounts where the firm deposits funds and subsequently is able to transfer funds to others by writing checks or drafts. These accounts include checking at banks and savings institutions, as well as credit union share draft accounts.

PROMPT: Money Market Deposit Accounts (MMDAs) and Money Market Mutual Funds (MMFs) should be classified as checking accounts only if they offered unlimited checking privileges. Typical limitations on checking would include restrictions on the number of checks written per month or on the smallest amount for which a check could be written.

PROMPT: WORKSHEET SIDE 1 SECTION A

YES	..... 1		
NO	..... 2	➔	GO TO E4
DK or RF	..... DK or RF	➔	GO TO E4

E2. What is the full name of the [first/next] institution where the firm had checking accounts? PROBE: At what other institutions did [FIRM] have checking accounts?

IWER INFO: RECORD SOURCE NAMES ON ROSTER AND SET "CHECKING ACCOUNT" FLAGS.

SKIP11

IF 4 OR MORE SOURCES ARE LISTED, DISPLAY SOURCE NAMES → **GO TO E2.1**
 IF 3 OR FEWER SOURCES ARE LISTED ASK E3 FOR EACH SOURCE → **GO TO E3**

E2.1 I have recorded checking accounts at (READ NAMES). Which two have the largest balances?

IWER INFO: SELECT THE SOURCES WITH THE TWO LARGEST BALANCES

SKIP12

FLAG THE **TWO** SELECTED SOURCES WITH THEIR INSTITUTION ID CODE.
 FLAG THE REMAINING CHECKING ACCOUNT SOURCES WITH A CODE "30".

ASK E3 THREE TIMES: ONCE FOR EACH SELECTED SOURCE; ONCE FOR ALL REMAINING SOURCES COMBINED (CODE "30")

E3_(1-3) As of [year end 1998/(DATE)], what was the balance in the firm's checking accounts at [(NAME)/all the remaining checking account sources combined]?

PROMPT: WORKSHEET SIDE 1 SECTION A

AMOUNT \$ _____ → **GO TO E3 FOR NEXT; IF DONE GO TO E4**

DK or RF DK or RF

E3.1_(1-3) Could you give an estimate?

AMOUNT \$ _____
 DK or RF DK or RF

RANGE CHECK: E3_(1-3) AND E3.1_(1-3) CAN BE NEGATIVE NUMBERS

→ **GO TO E3 FOR NEXT; IF DONE GO TO E4**

Savings Accounts

- E4. Did the firm have any savings accounts, money market accounts, share accounts, certificates of deposit or CDs, or other time deposits as of [year end 1998/(DATE)]? Please exclude retirement accounts, pension funds, trusts, or any other accounts we've already talked about.

PROMPT: WORKSHEET SIDE 1 SECTION B

YES	..... 1	
NO	..... 2	➔ GO TO SECTION F
DK or RF	..... DK or RF	➔ GO TO SECTION F

- E5. Did [FIRM] have any of these savings accounts at (READ EACH NAME ON ROSTER)?

IWER INFO: SET "SAVINGS ACCOUNT" FLAGS.

IWER INFO: IF VOLUNTEERED, EXCLUDE PERSONAL SAVINGS ACCOUNTS.

- E5.1 At what other institutions did your firm have a savings account as of [year end 1998/(DATE)]?

IWER INFO: RECORD SOURCE NAMES ON ROSTER AND SET "SAVINGS ACCOUNT" FLAGS.

SKIP13

IF 4 OR MORE SOURCES ARE NAMED, DISPLAY SOURCE NAMES	➔	GO TO E5.2
IF 3 OR FEWER SOURCES ARE NAMED ASK E6 FOR EACH SOURCE	➔	GO TO E6

- E5.2 I have recorded savings accounts at (READ NAMES). Which two have the largest balances?

IWER INFO: SELECT THE SOURCES WITH THE TWO LARGEST BALANCES

SKIP14

FLAG THE **TWO** SELECTED SOURCES WITH THEIR INSTITUTION ID CODE.
FLAG THE REMAINING SAVINGS ACCOUNT SOURCES WITH A CODE "30".

ASK E6 THREE TIMES: ONCE FOR EACH SELECTED SOURCE; ONCE FOR ALL REMAINING SOURCES COMBINED (CODE "30")

E6_(1-3) As of [year end 1998/(DATE)], what was the balance in the firm's savings accounts at (NAME)?

PROMPT: WORKSHEET SIDE 1 SECTION B

AMOUNT \$ _____

EX EX

DK or RF DK or RF

➔ GO TO E6 FOR NEXT; IF
DONE GO TO SECTION F

➔ GO TO E6 FOR NEXT; IF
DONE GO TO SECTION F

E6.1_(1-3) Could you give an estimate?

AMOUNT \$ _____

DK or RF or EX DK or RF or EX

RANGE CHECK: E6_(1-3) AND E6.1_(1-3) MUST BE POSITIVE NUMBERS

➔ GO TO E6 FOR NEXT; IF DONE GO TO SECTION F

Subsection F. USE OF CREDIT AND FINANCING

READ9: The next questions are about credit cards that are used to pay for business expenses. Please do not include debit or check cards, which are cards that immediately withdraw funds from an account or credit line.

Credit Cards

READ10: First, we would like to ask about personal credit cards used for business purposes. Then we're going to ask you about credit cards issued to the firm.

F1. Did [FIRM] use owners' personal credit cards to pay business expenses during (1998/the fiscal year ending [DATE])?

YES	..... 1		
NO	..... 2	→	GO TO F4
DK or RF	..... DK or RF	→	GO TO F4

F2. On average, about how much per month in new business expenditures did the firm charge to owners' personal credit cards?

AMOUNT: \$	_____	→	GO TO F3
DK or RF	..... DK or RF		

F2.1 Could you give an estimate?

AMOUNT \$	_____
DK or RF	..... DK or RF

RANGE CHECK: F2 AND F2.1 MUST BE NON-NEGATIVE NUMBERS

F3. Were the business expenses charged on owners' personal credit cards generally paid in-full or were balances typically owed after monthly payments were made?

PAID IN FULL	..... 1	→	GO TO F4
OWED BALANCES	..... 2		
DK or RF	..... DK or RF		

F3.1 After payments were made, on average, what was the balance of business charges on all owners' personal credit cards at the end of the month?

AMOUNT: \$	_____	→	GO TO F4
DK or RF	..... DK or RF		

F3.1.1 Could you give an estimate?

AMOUNT \$ _____
 DK or RF DK or RF

RANGE CHECK: F3.1 AND F3.1.1 MUST BE NON-NEGATIVE NUMBERS

F4. Now, during (1998/the fiscal year ending [DATE]), did the firm use business or corporate credit cards for business expenses?

YES 1
 NO 2 → **GO TO F7**
 DK or RF DK or RF → **GO TO F7**

F5. On average, about how much per month in new business expenditures did the firm charge to these business or corporate credit cards?

AMOUNT: \$ _____ → **GO TO F6**
 DK or RF DK or RF

F5.1 Could you give an estimate?

AMOUNT \$
 DK or RF DK or RF

RANGE CHECK: F5 AND F5.1 MUST BE NON-NEGATIVE NUMBERS

F6. Were the business expenses charged on the firm's business or corporate credit cards generally paid in full or were balances typically owed after monthly payments were made?

PAID IN FULL 1 → **GO TO F7**
 OWED BALANCES 2
 DK or RF DK or RF

F6.1 After monthly payments were made, on average, what was the balance of business charges on the firm's business or corporate credit cards?

AMOUNT: \$ _____ → **GO TO F7**
 DK or RF DK or RF

F6.1.1 Could you give an estimate?

AMOUNT \$ _____
 DK or RF DK or RF

RANGE CHECK: F6.1 AND F6.1.1 MUST BE POSITIVE INTEGER NUMBERS

Lines of Credit

READ11: The next questions are about lines of credit. Lines of credit are arrangements with a financial institution that allow a firm to borrow funds during a specified period up to a specific credit limit. Include home equity lines of credit used for business purposes. Do not include credit card accounts or trade credit with suppliers.

IWER INFO: IF THE ACCOUNT IS USED FOR BUSINESS PURPOSES, INCLUDE IT.

F7. As of [year end 1998/(DATE)], did [FIRM] have any lines of credit used for business purposes?

PROMPT: WORKSHEET SIDE 1 SECTION C

YES	..... 1		
NO	..... 2	➔	GO TO F16
DK or RF	..... DK or RF	➔	GO TO F16

F8. Did the firm have lines of credit at (READ EACH NAME ON ROSTER)?

IWER INFO: SET "LINES OF CREDIT" FLAGS.

F8.1 At what other institutions did your firm have a line of credit as of [year end 1998/(DATE)]?

SKIP15

IF 4 OR MORE SOURCES ARE NAMED, DISPLAY SOURCE NAMES	➔	GO TO F8.2
IF 3 OR FEWER SOURCES ARE NAMED ASK F9-15 FOR EACH SOURCE	➔	GO TO F9

F8.2 I have recorded lines of credit at (READ NAMES). Which two have the largest credit limits?

IWER INFO: SELECT THE SOURCES WITH THE TWO LARGEST BALANCES

SKIP16

FLAG THE **TWO** SELECTED SOURCES WITH THEIR INSTITUTION ID CODE.
FLAG THE REMAINING LINES OF CREDIT SOURCES WITH A CODE "30".

ASK F9-15 THREE TIMES: ONCE FOR EACH SELECTED SOURCE; ONCE FOR ALL REMAINING SOURCES COMBINED (CODE "30")

F9_(1-3) How many lines of credit did the firm have with (NAME)?

PROMPT: WORKSHEET SIDE 1 SECTION C

NUMBER: _____
 DK or RF DK or RF

**SOFT RANGE CHECK: IF F9_(1-3) >0 AND <11
 RANGE CHECK: F9_(1-3) >0 AND <101**

F10_(1-3) As of [year end 1998/(DATE)], what was the total credit limit [of this credit line/summing across all credit lines] at (NAME)?

PROMPT: That is, what was the credit limit before any funds were borrowed?

PROMPT: WORKSHEET SIDE 1 SECTION C

AMOUNT \$ _____ → **GO TO F11**
 DK or RF DK or RF

F10.1_(1-3) Could you give an estimate?

AMOUNT \$ _____
 DK or RF DK or RF

RANGE CHECK: F10_(1-3) AND F10.1_(1-3) MUST BE POSITIVE INTEGER NUMBERS

F11_(1-3) As of [year end 1998/(DATE)], what was the amount owed [on this credit line/summing across all credit lines] at (NAME)?

PROMPT: WORKSHEET SIDE 1 SECTION C

AMOUNT \$ _____ → **GO TO F13**
 EX EX → **GO TO F13**
 DK or RF DK or RF

F11.1_(1-3) Could you give an estimate?

AMOUNT \$ _____
 DK or RF or EX DK or RF or EX

**RANGE CHECK: F11_(1-3) & F11.1_(1-3) MUST BE NON-NEGATIVE INTEGERS;
 F11_(1-3) or F11.1_(1-3) <= F10_(1-3) or F10.1_(1-3)**

F13_(1-3) Was a personal guaranty, a cosigner, or other guarantor required to obtain any line of credit at (NAME)?

PROMPT: Cosigners and guarantors commit themselves to repay any amount owed should the firm default on the loan.

YES 1
 NO 2
 DK or RF DK or RF

F14_(1-3) Was collateral required for [this/any of these] line(s) of credit?

PROMPT: That is, was the firm required to pledge as security any business or personal property that can be taken by (NAME) should the firm fail to repay the debt?

YES 1
 NO 2 → **GO TO SKIP18**
 DK or RF DK or RF → **GO TO SKIP18**

F14.1_(1-3) What collateral was required? Was it...

IWER INFO: IF THE RESPONDENT SAYS ALL ASSETS WERE USED AS COLLATERAL to SECURE THE LOAN SAY "Would that include . . ." AND READ EACH TYPE OF COLLATERAL LISTED.

1) inventory or accounts receivable 1
 2) equipment or vehicles 2
 3) business securities or deposits 3
 4) business real estate 4
 5) personal real estate 5
 6) other personal assets 6
 7) other (SPECIFY)_____ 7
 DK or RF DK or RF

SKIP18

IF FIRM HAS CHECKING OR SAVINGS ACCOUNTS AT (NAME) → **GO TO F15**
 IF NO CHECKING OR SAVINGS AT (NAME) → **GO TO F9 FOR NEXT SOURCE, IF DONE GO TO F16**

PROMPT: Compensating balances are funds that (NAME) may have required the firm to keep on deposit as a condition for granting the credit line.

➔ GO TO F9 FOR NEXT SOURCE OR, IF DONE, GO TO F16

Leases

READ12: Now, we're going to ask you about other loans. These loans are typically obtained from banks, savings institutions, finance companies, and sometimes friends and individuals.

F16. First, as of [year end 1998/(DATE)], did [FIRM] have any capital leases from financial institutions or other sources? For capital leases, only part of the lease payment can be deducted as a cost of doing business. For operating leases, in contrast, the entire lease payment can be deducted.

PROMPT: A capital lease is a form of financing, often offered by the seller, for the purchase of a capital asset such as equipment or a vehicle. Although the payments are referred to as lease payments, title to the property normally transfers at the end of the "lease" with the payment of a nominal amount, such as \$1.

For example, when a firm buys office equipment, such as a photocopier, the seller may offer the purchaser the opportunity to pay for the equipment over time. The financing agreement, providing for these periodic "lease" payments, is considered to be a capital lease if the agreement provides for the transfer of title upon the payment of a nominal amount (e.g., \$1) at the end of the lease.

PROMPT: Capital leases satisfy one of the following conditions: (1) the lease transfers ownership of the asset at the end of the lease term, (2) the lease contains an option for a bargain purchase of the asset, (3) the lease term extends over most of the economic life of the asset, or (4) the lease requires rental payments that approximate the fair market value of the leased asset.

PROMPT: WORKSHEET SIDE 1 SECTION D

YES	..... 1		
NO	..... 2	➔	GO TO F20
DK or RF	..... DK or RF	➔	GO TO F20

F17. Did the firm have capital leases at (READ EACH NAME ON ROSTER)?

IWER INFO: SET "CAPITAL LEASE" FLAGS.

F17.1 At what other institutions or sources of financing did your firm have capital leases as of [year end 1998/(DATE)]?

IWER INFO: RECORD SOURCE NAMES ON ROSTER AND SET "CAPITAL LEASE" FLAGS.

SKIP19

IF 4 OR MORE SOURCES ARE NAMED, DISPLAY SOURCE NAMES	➔	GO TO F17.2
IF 3 OR FEWER SOURCES ARE NAMED ASK F18-20 FOR EACH SOURCE	➔	GO TO F18

F17.2 I have recorded capital leases at (READ NAMES). Which two have the largest balances?

IWER INFO: SELECT THE SOURCES WITH THE TWO LARGEST BALANCES

SKIP20

FLAG THE **TWO** SELECTED SOURCES WITH THEIR INSTITUTION ID CODE.
FLAG THE REMAINING CAPITAL LEASE SOURCES WITH A CODE "30".

ASK F18-20 THREE TIMES: ONCE FOR EACH SELECTED SOURCE; ONCE FOR ALL REMAINING SOURCES COMBINED (CODE "30")

F18_(1-3) How many capital leases did the firm have from (NAME)?

PROMPT: WORKSHEET SIDE 1 SECTION D

NUMBER: _____
DK or RF DK or RF

SOFT RANGE CHECK: F18_(1-3) >0 AND<51; RANGE CHECK; F18_(1-3) >0 AND<101

F19_(1-3) As of [year end 1998/(DATE)], what was the total amount of principal owed on [this/all these] capital lease[s] at (NAME)?

PROMPT: We need the amount of principal owed, not the total amount of remaining payments which may include both principal and interest.

PROMPT: We need the loan payoff amount.

PROMPT: WORKSHEET SIDE 1 SECTION D

AMOUNT: \$ _____

**→ GO TO F18 FOR
NEXT SOURCE, OR IF
DONE, GO TO F20**

DK or RF DK or RF

F19.1_(1-3) Could you give an estimate?

AMOUNT: \$ _____
DK or RF DK or RF

RANGE CHECK: F19_(1-3) AND F19.1_(1-3) MUST BE POSITIVE INTEGER NUMBERS

→ GO TO F18 FOR NEXT SOURCE, OR IF DONE, GO TO F20

Mortgages

READ13: Now I am going to ask you about mortgages whose funds are used for business purposes. Also include personal mortgages, such as second mortgages on personal property, if the proceeds of the mortgage are used for business purposes.

F20. As of [year end 1998/(DATE)], did the firm have any mortgages used for business purposes?

PROMPT: Count mortgages on personal real estate if funds were used for business purposes.

PROMPT: WORKSHEET SIDE 1 SECTION E

YES	..... 1		
NO	..... 2	→	GO TO F27
DK or RF	..... DK or RF	→	GO TO F27

F21. Were any of these mortgages at (READ EACH NAME ON ROSTER)?

IWER INFO: SET "MORTGAGE" FLAGS.

F21.1 At what other institutions did the firm have mortgages for business purposes as of [year end 1998/(DATE)]?

IWER INFO: RECORD SOURCE NAMES ON ROSTER AND SET "MORTGAGE" FLAG.

SKIP21

IF 4 OR MORE SOURCES ARE NAMED, DISPLAY SOURCE NAMES	→	GO TO F21.2
IF 3 OR FEWER SOURCES ARE NAMED ASK F22-26 FOR EACH SOURCE	→	GO TO F22

F21.2 I have recorded mortgages at (READ NAMES). Which two have the largest balances?

IWER INFO: SELECT THE SOURCES WITH THE TWO LARGEST BALANCES

SKIP22

FLAG THE **TWO** SELECTED SOURCES WITH THEIR INSTITUTION ID CODE.
FLAG THE REMAINING MORTGAGE SOURCES WITH A CODE "30".

ASK F22-26 THREE TIMES: ONCE FOR EACH SELECTED SOURCE; ONCE FOR ALL REMAINING SOURCES COMBINED (CODE "30")

F22_(1-3) How many mortgages did the firm obtain from (NAME)?

PROMPT: WORKSHEET SIDE 1 SECTION E

NUMBER: _____
DK or RF DK or RF

SOFT RANGE CHECK: F22_(1-3) >0 AND<51; RANGE CHECK; F22_(1-3) >0 AND<101

F23_(1-3) As of [year end 1998/(DATE)], what was the total amount of principal owed on [this/all these] mortgage[s] at (NAME)?

PROMPT: We need the amount of principal owed, not the total amount of remaining payments, which may include both principal and interest.

PROMPT: We need the loan payoff amount.

PROMPT: WORKSHEET SIDE 1 SECTION E

AMOUNT: \$ _____ → **GO TO F24_(1-3)**
 DK or RF DK or RF

F23.1_(1-3) Could you give an estimate?

AMOUNT: \$ _____
 DK or RF DK or RF

RANGE CHECK: F23_(1-3) AND F23.1_(1-3) MUST BE POSITIVE INTEGER NUMBERS

F24_(1-3) Was a personal guaranty, a cosigner, or other guarantor required to obtain [this/any of these] mortgage[s] at (NAME)?

PROMPT: Cosigners and guarantors commit themselves to repay any amount owed should the firm default on the loan.

YES 1
 NO 2
 DK or RF DK or RF

F25_(1-3) (Was this mortgage/Were these mortgages) you obtained from (NAME) collateralized by business real estate, personal real estate, or both?

IWER INFO: IF R VOLUNTEERS THAT THE BUSINESS MORTGAGE WAS NOT COLLATERALIZED BY REAL ESTATE, CODE "4" FOR NEITHER.

BUSINESS REAL ESTATE 1
 PERSONAL REAL ESTATE 2
 BOTH BUSINESS & PERSONAL REAL ESTATE 3
 NEITHER 4
 DK or RF DK or RF

F26_(1-3) (Other than the real estate,) was any other collateral used to secure the mortgage(s)?

YES 1
NO 2

➔ **GO TO F22 FOR
NEXT SOURCE OR, IF
DONE, GO TO F27**

DK or RF DK or RF

➔ **GO TO F22 FOR
NEXT SOURCE OR, IF
DONE, GO TO F27**

F26.1_(1-3) What collateral was used to secure the mortgage(s)? Was it...

IWER INFO: IF THE RESPONDENT SAYS ALL ASSETS WERE USED AS
COLLATERAL to SECURE THE LOAN SAY "Would that include . . ." AND READ
EACH TYPE OF COLLATERAL LISTED.

1) inventory or accounts receivable 1
2) equipment or vehicles 2
3) business securities or deposits 3
4) other personal assets 4
5) other (SPECIFY)_____ 5
DK or RF DK or RF

➔ **GO TO F22 FOR NEXT SOURCE OR, IF DONE, GO TO F27**

Motor Vehicle Loans

READ14: Now I'm going to ask about [FIRM'S] motor vehicle loans.

F27. As of [year end 1998/(DATE)], did the firm have any loans on motor vehicles used primarily for business purposes? Any vehicle that is used for business purposes more than 50 percent of the time should be counted.

PROMPT: WORKSHEET SIDE 1 SECTION F

YES	..... 1		
NO	..... 2	→	GO TO F33
DK or RF	..... DK or RF	→	GO TO F33

F28. Did the firm have motor vehicle loans from (READ EACH NAME ON ROSTER)?

IWER INFO: SET "MOTOR VEHICLE LOAN" FLAGS.

F28.1 At what other institutions did the firm have motor vehicle loans as of [year end 1998/(DATE)]?

IWER INFO: RECORD SOURCE NAMES ON ROSTER AND SET "MOTOR VEHICLE LOAN" FLAGS.

SKIP23

IF 4 OR MORE SOURCES ARE NAMED, DISPLAY SOURCE NAMES	→	GO TO F28.2
IF 3 OR FEWER SOURCES ARE NAMED ASK F29-32 FOR EACH SOURCE	→	GO TO F29

F28.2 I have recorded motor vehicle loans at (READ NAMES). Which two have the largest balances?

IWER INFO: SELECT THE SOURCES WITH THE TWO LARGEST BALANCES

SKIP24

FLAG THE **TWO** SELECTED SOURCES WITH THEIR INSTITUTION ID CODE.
FLAG THE REMAINING MOTOR VEHICLE LOAN SOURCES WITH A CODE "30".

ASK F29-32 THREE TIMES: ONCE FOR EACH SELECTED SOURCE; ONCE FOR ALL REMAINING SOURCES COMBINED (CODE "30")

F29_(1-3) As of [year end 1998/(DATE)], how many motor vehicle loans did the firm have from (NAME)?

PROMPT: WORKSHEET SIDE 1 SECTION F

NUMBER: _____
DK or RF DK or RF

SOFT RANGE CHECK: F29_(1-3) >0 AND<101; RANGE CHECK; F29_(1-3) >0 AND<1001

F30_(1-3) As of [year end 1998/(DATE)], what was the total amount of principal owed on [this motor vehicle loan/all motor vehicle loans the firm has] from (NAME)?

PROMPT: We need to know the amount of principal owed, not the total amount of remaining payments, which may include both principal and interest.

PROMPT: We need the loan payoff amount.

PROMPT: WORKSHEET SIDE 1 SECTION F

AMOUNT: \$ _____ → **GO TO F31**
 DK or RF DK or RF

F30.1_(1-3) Could you give an estimate?

AMOUNT: \$ _____
 DK or RF DK or RF

RANGE CHECK: F30_(1-3) AND F30.1_(1-3) MUST BE POSITIVE INTEGER NUMBERS

F31_(1-3) Was a cosigner or other guarantor required to obtain [this/any of these] motor vehicle loan[s] at (NAME)?

PROMPT: Cosigners and guarantors commit themselves to repay any amount owed should the firm default on the loan.

YES 1
 NO 2
 DK or RF DK or RF

F32_(1-3) (Was the vehicle/Were the vehicles) purchased used as collateral to secure the loan?

YES 1
 NO 2
 DK or RF DK or RF

F32.1_(1-3) Was any other type of collateral used to secure the motor vehicle loan(s)?

YES 1
NO 2

DK or RF DK or RF

➔ **GO TO F29 FOR
NEXT SOURCE OR, IF
DONE, GO TO F33**
➔ **GO TO F29 FOR
NEXT SOURCE OR, IF
DONE, GO TO F33**

F32.2_(1-3) What collateral was used to secure the motor vehicle loan(s)? Was it...

IWER INFO: IF R VOLUNTEERS ANOTHER VEHICLE, CODE CHOICE 2 (“equipment or vehicles”) AS “YES.”

IWER INFO: IF THE RESPONDENT SAYS ALL ASSETS WERE USED AS COLLATERAL to SECURE THE LOAN SAY “Would that include . . .” AND READ EACH TYPE OF COLLATERAL LISTED.

1) inventory or accounts receivable 1
2) equipment or vehicles 2
3) business securities or deposits 3
4) business real estate 4
5) personal real estate 5
6) other personal assets 6
7) other (SPECIFY)_____ 7
DK or RF DK or RF

➔ **GO TO F29 FOR NEXT SOURCE OR, IF DONE, GO TO F33**

Equipment Loans

READ15: Now I'm going to ask you about equipment loans.

F33. Did [FIRM] have any equipment loans as of [year end 1998/(DATE)]?

PROMPT: WORKSHEET SIDE 1 SECTION G

YES	..... 1		
NO	..... 2	➔	GO TO SKIP27
DK or RF	..... DK or RF	➔	GO TO SKIP27

F34. Did the firm have equipment loans from (READ EACH NAME ON ROSTER)?

IWER INFO: SET "EQUIPMENT LOAN" FLAGS.

F34.1 At what other institutions or sources of financing did the firm have equipment loans as of [year end 1998/(DATE)]?

IWER INFO: RECORD SOURCE NAMES ON ROSTER AND SET "EQUIPMENT LOAN" FLAGS.

SKIP25

IF 4 OR MORE SOURCES ARE NAMED, DISPLAY SOURCE NAMES	➔	GO TO F34.2
IF 3 OR FEWER SOURCES ARE NAMED ASK F35-38 FOR EACH SOURCE	➔	GO TO F35

F34.2 I have recorded equipment loans at (READ NAMES). Which two have the largest balances?

IWER INFO: SELECT THE SOURCES WITH THE TWO LARGEST BALANCES

SKIP26

FLAG THE **TWO** SELECTED SOURCES WITH THEIR INSTITUTION ID CODE.
FLAG THE REMAINING EQUIPMENT LOAN SOURCES WITH A CODE "30".

ASK F35-38 THREE TIMES: ONCE FOR EACH SELECTED SOURCE; ONCE FOR ALL REMAINING SOURCES COMBINED (CODE "30")

F35_(1-3) How many equipment loans did the firm have from (NAME)?

PROMPT: WORKSHEET SIDE 1 SECTION G

NUMBER: _____
DK or RF DK or RF

SOFT RANGE CHECK: F35_(1-3) >0 AND<51; RANGE CHECK; F35_(1-3) >0 AND<101

F36_(1-3) As of [year end 1998/(DATE)], what was the total amount of principal owed on [this/these] equipment loan[s] at (NAME)?

PROMPT: We need to know the amount of principal owed, not the total amount of remaining payments, which may include both principal and interest.

PROMPT: We need the loan payoff amount.

PROMPT: WORKSHEET SIDE 1 SECTION G

AMOUNT: \$ _____
DK or RF DK or RF

→ **GO TO F37_(1-3)**

F36.1_(1-3) Could you give an estimate?

AMOUNT: \$ _____
DK or RF DK or RF

RANGE CHECK: F36_(1-3) AND F36.1_(1-3) MUST BE POSITIVE INTEGER NUMBERS

F37_(1-3) Was a personal guaranty, a cosigner, or other guarantor required to obtain [this/any of these] equipment loan[s] at (NAME)?

PROMPT: Cosigners and guarantors commit themselves to repay any amount owed should the firm default on the loan.

YES 1
NO 2
DK or RF DK or RF

F38_(1-3) Was the equipment purchased used as collateral to secure the loan(s)?

YES 1
NO 2
DK or RF DK or RF

F38.1_(1-3) Was any other type of collateral used to secure the equipment loan(s)?

YES 1
NO 2

DK or RF DK or RF

→ **GO TO F35 FOR
NEXT SOURCE OR, IF
DONE, GO TO SKIP27**
→ **GO TO F35 FOR
NEXT SOURCE OR, IF
DONE, GO TO SKIP27**

F38.2_(1-3) What collateral was used to secure the equipment loan(s)? Was it...

IWER INFO: IF THE RESPONDENT SAYS ALL ASSETS WERE USED AS COLLATERAL to SECURE THE LOAN SAY "Would that include . . ." AND READ EACH TYPE OF COLLATERAL LISTED.

- 1) inventory or accounts receivable 1
- 2) equipment or vehicles 2
- 3) business securities or deposits 3
- 4) business real estate 4
- 5) personal real estate 5
- 6) other personal assets 6
- 7) other (SPECIFY)_____ 7
- DK or RF DK or RF

➔ GO TO F35 FOR NEXT SOURCE OR, IF DONE, GO TO SKIP27

Loans from Partners/stockholders**SKIP27**

IF SOLE PROPRIETORSHIP (B3=1)

**GO TO READ16**

ALL OTHERS

**GO TO F39**

F39. Sometimes [partners/stockholders] will lend money to their own firms. As of [year end 1998/(DATE)], did [FIRM] have any loans from [partners/stockholders]?

PROMPT: WORKSHEET SIDE 1 SECTION H

YES 1

NO 2

DK or RF DK or RF

**GO TO READ16****GO TO READ16**

F40. How many loans did [FIRM] have from [partners/stockholders]?

NUMBER: _____

DK or RF DK or RF

SOFT RANGE CHECK: 0 < F40 < 31; HARD RANGE CHECK: 0 < F40 < 101

F41. As of [year end 1998/(DATE)], what was the total amount of principal owed on [this/these] loan[s]?

PROMPT: We need to know the amount of principal owed, not the total amount of remaining payments, which may include both principal and interest.

PROMPT: We need the loan payoff amount.

AMOUNT: \$ _____ → **GO TO READ16**

DK or RF DK or RF

F41.1 Could you give an estimate?

AMOUNT: \$ _____

DK or RF DK or RF

RANGE CHECK: F41 AND F41.1 MUST BE POSITIVE INTEGER NUMBERS

Other Loans

READ16: The next questions are about any loans the firm may have had other than the ones already discussed.

F42. As of [year end 1998/(DATE)], did [FIRM] have any other loans from financial institutions or from other sources? This includes loans from friends, relatives, and other sources. Exclude credit cards, credit with suppliers, and loans already discussed.

PROMPT: WORKSHEET SIDE 1 SECTION I

YES	..... 1	
NO	..... 2	→ GO TO SECTION MRL
DK or RF	..... DK or RF	→ GO TO SECTION MRL

F43. Were any of these loans not yet discussed at (READ NAMES IN ROSTER)?

IWER INFO: SET "OTHER LOAN" FLAGS.

F43.1 At what other sources were these other loans from as of [year end 1998/(DATE)]?

IWER INFO: RECORD SOURCE NAMES ON ROSTER AND SET "OTHER LOAN" FLAGS.

SKIP28

IF 4 OR MORE SOURCES ARE NAMED, DISPLAY SOURCE NAMES	→	GO TO F43.2
IF 3 OR FEWER SOURCES ARE NAMED ASK F44-48 FOR EACH SOURCE	→	GO TO F44

F43.2 I have recorded other loans at (READ NAMES). Which two have the largest balances?

IWER INFO: SELECT THE SOURCES WITH THE TWO LARGEST BALANCES

SKIP29

FLAG THE **TWO** SELECTED SOURCES WITH THEIR INSTITUTION ID CODE.
FLAG THE REMAINING OTHER LOAN SOURCES WITH A CODE "30".

ASK F44-48 THREE TIMES: ONCE FOR EACH SELECTED SOURCE; ONCE FOR ALL REMAINING SOURCES COMBINED (CODE "30")

F44_(1-3) How many loans [other than those already discussed] did the firm have from (NAME)?

PROMPT: WORKSHEET SIDE 1 SECTION H

NUMBER: _____
DK or RF DK or RF

SOFT RANGE CHECK: F44_(1-3) >0 AND<101; RANGE CHECK; F44_(1-3) >0 AND<201

F45_(1-3) As of [year end 1998/(DATE)], what was the principal owed on [this loan/all other loans the firm has, excluding the ones we have already discussed] with (NAME)?

PROMPT: We need the amount of principal owed, not the total amount of remaining payments, which may include both principal and interest.

PROMPT: We need the loan payoff amount.

PROMPT: WORKSHEET SIDE 1 SECTION I

AMOUNT: \$ _____
DK or RF DK or RF

→ **GO TO F46**

F45.1_(1-3) Could you give an estimate?

AMOUNT:\$ _____
DK or RF DK or RF

RANGE CHECK: F45_(1-3) AND F45.1_(1-3) MUST BE POSITIVE INTEGER NUMBERS

F46_(1-3) What type(s) of loan(s) [is this/are these] loan(s) from (NAME)? Was it...

IWER INFO: IF F44>1 OR F44=DK or RF, READ LIST, AND CHECK ALL THAT APPLY

1) line of credit 1
2) capital lease 2
3) mortgage for business purposes 3
4) vehicle loan for business purposes 4
5) equipment loan 5
6) other loan (SPECIFY)_____ 6
DK or RF DK or RF

F47_(1-3) Was a personal guaranty, a cosigner, or other guarantor required to obtain [this/any of these] loan[s] at (NAME)?

PROMPT: Cosigners and guarantors commit themselves to repay any amount owed should the firm default on the loan.

YES 1
NO 2
DK or RF DK or RF

F48_(1-3) Was collateral required to secure (this loan/any of these loans)?

PROMPT: That is, was the firm required to pledge as security any business or personal property that can be taken by (NAME) should [FIRM] fail to repay the debt?

YES 1

NO 2

DK or RF DK or RF

→ **GO TO F44 FOR
NEXT SOURCE OR, IF
DONE, GO TO SEC MRL**
→ **GO TO F44 FOR
NEXT SOURCE OR, IF
DONE, GO TO SEC MRL**

F48.1_(1-3) What collateral was required to secure the loan? Was it...(CHECK ALL THAT APPLY)

IWER INFO: IF THE RESPONDENT SAYS ALL ASSETS WERE USED AS COLLATERAL to SECURE THE LOAN SAY "Would that include . . ." AND READ EACH TYPE OF COLLATERAL LISTED.

1) inventory or accounts receivable 1

2) equipment or vehicles 2

3) business securities or deposits 3

4) business real estate 4

5) personal real estate 5

6) other personal assets 6

7) other (SPECIFY)_____ 7

DK or RF DK or RF

SKIP29.5

IF F46=1 → GO TO F49

IF F46≠1 → GO TO F44 FOR NEXT SOURCE OR, IF DONE, GO TO MRL

F49_(1-3) Did any lines of credit at (NAME) require compensating balances in checking or savings accounts?

PROMPT: Compensating balances are funds that (NAME) may have required the firm to keep on deposit as a condition for granting the credit line.

YES 1

NO 2

DK or RF DK or RF

→ **GO TO F44 FOR NEXT SOURCE OR, IF DONE, GO TO MRL**

Subsection MRL. MOST RECENT LOAN SECTION

READ17: The next section is about recent applications for new credit. Do not include renewals for lines of credit, applications for credit cards, requests for loans from owners, or trade credit with suppliers. Do not include applications that were withdrawn or that are still pending.

MRL1. How many times did [FIRM] apply for new loans in the last three years?

NUMBER: _____

ZERO ZERO

DK or RF DK or RF

→ GO TO MRL31

→ GO TO MRL3

RANGE CHECK: NUMBER > 0

MRL2. (Were any of these/Was this) recent loan application(s) a renewal of an existing line of credit?

YES 1

NO 2

DK or RF DK or RF

→ GO TO MRL2.1

→ GO TO SKIP30

→ GO TO SKIP30

MRL2.1 Excluding renewals on an existing line of credit, how many times did the firm apply for new loans in the last three years?

NUMBER: _____

ZERO ZERO

DK or RF DK or RF

→ GO TO SKIP30

→ GO TO MRL31

→ GO TO MRL31

RANGE CHECK: MRL2.1 < MRL1 AND MRL2.1 >=0
SKIP30

IF MRL2=2 or DK/RF

& MRL1 = 1

→ GO TO MRL4.1

& MRL1 > 1

→ GO TO MRL4.2

IF MRL2=1

& MRL2.1 = 1

→ GO TO MRL4.1

& MRL2.1 > 1

→ GO TO MRL4.2

MRL3. Did you apply one time or more than one time?

ONCE 1

MORE THAN ONCE 2

NONE/ZERO 3

DK/RF DK or RF

→ GO TO MRL31

→ GO TO MRL31

MRL3.1 (Were any of these/Was this) recent loan application(s) a renewal of an existing line of credit?

YES	1	→ GO TO SKIP30.5
NO	2	→ GO TO SKIP31
DK or RF	DK or RF	→ GO TO SKIP31

SKIP30.5

IF MRL1=DK/RF & MRL3=1	→	GO TO MRL31
IF MRL1=DK/RF & MRL3=2	→	GO TO MRL3.2

MRL3.2 Excluding renewals on an existing line of credit, did the firm apply once or more than once for new loans in the last three years?

ONCE	1	→ GO TO SKIP31
MORE THAN ONCE	2	→ GO TO SKIP31
NONE/ZERO	3	→ GO TO MRL31
DK or RF	DK or RF	→ GO TO MRL31

SKIP31

IF MRL3.1=2 or DK/RF		
& MRL3 = 1	→	GO TO MRL4.1
& MRL3 = 2	→	GO TO MRL4.2
IF MRL3.1=1		
& MRL3.2 = 1	→	GO TO MRL4.1
& MRL3.2 = 2	→	GO TO MRL4.2

MRL4.1 Was this recent loan application approved or denied?

APPROVED	1	→ GO TO MRL5
DENIED	2	→ GO TO MRL23
DK/RF	DK or RF	→ GO TO MRL31

MRL4.2 Were these recent loan applications always approved, always denied, or sometimes approved and sometimes denied?

ALWAYS APPROVED	1	→ GO TO READ18
ALWAYS DENIED	2	→ GO TO READ20
SOMETIMES APPROVED/SOMETIMES DENIED	3	→ GO TO READ18
DK/RF	DK or RF	→ GO TO MRL31

READ18: Now I'd like you to think about the firm's most recent request for a loan or line of credit that was approved.

MRL5. What is the name of the institution or source where [FIRM] applied for this most recent loan or new line of credit? [SHOW ROSTER OF INSTITUTIONS.]

INSTITUTION: _____ → **SET APPROVED INST FLAG**

MRL6. For the most recent request approved by (NAME), what type of credit was obtained? Was it a (READ LIST)?

New Line of Credit 1
 Capital Lease 2
 Mortgage for Business Purposes 3
 Vehicle Loan for Business Purposes 4
 Equipment Loan 5
 Other Loan (Specify: _____) 6
 DK or RF DK or RF

MRL7. When did the firm make this most recent request for a loan or new line of credit that was approved?

MONTH: _____ YEAR: _____

MRL8. How long had [FIRM] conducted business with (NAME) at the time of this most recent application?

IWER INFO: RESPONSE CAN BE ENTERED IN MONTHS AND YEARS. IF LESS THAN 1 MONTH, ENTER 1 MONTH AND 0 YEARS. IF [FIRM] NEVER DID BUSINESS WITH (NAME), CODE 0 MONTHS AND 0 YEARS.

NUMBER: _____ IN: MONTHS YEARS
 DK or RF DK or RF

MRL9. What factors influenced the firm's decision to apply for credit from (NAME).

MRL10. What was the total dollar amount for which the firm applied?

AMOUNT: \$ _____ → **GO TO SKIP32**
 DK or RF DK or RF

MRL10.1 Could you give an estimate?

AMOUNT: \$ _____
 DK or RF DK or RF

RANGE CHECK: POSITIVE INTEGER RESPONSE FOR MRL10 AND MRL10.1

SKIP32

IF LOAN IS A LINE OF CREDIT, MRL6=1
ALL OTHERS

→
→

GO TO MRL11
GO TO MRL12

MRL11. Did (NAME) require [FIRM] to maintain a compensating balance in a checking or savings account?

PROMPT: Compensating balances are funds that (NAME) may have required the firm to keep on deposit as a condition for granting the credit line.

YES 1
NO 2
DK or RF DK or RF

MRL12. Was the firm required to have a personal guaranty, cosigner, or other guarantor?

PROMPT: Cosigners and guarantors commit themselves to repay any amount owed should the firm default on the loan.

YES 1
NO 2
DK or RF DK or RF

MRL13. Was any type of collateral required to secure this most recent loan?

YES 1
NO 2
DK or RF DK or RF

→ GO TO SKIP33
→ GO TO SKIP33

MRL13.1 What collateral was used to secure this most recent loan? Was it . . .

IWER INFO: IF THE RESPONDENT SAYS ALL ASSETS WERE USED AS COLLATERAL to SECURE THE LOAN SAY “Would that include . . .” AND READ EACH TYPE OF COLLATERAL LISTED.

1) inventory or accounts receivable 1
2) equipment or vehicles 2
3) business securities or deposits 3
4) business real estate 4
5) personal real estate 5
6) other personal assets 6
7) other (SPECIFY: _____) ... 7
DK or RF DK or RF

SKIP33

IF LOAN IS A LINE OF CREDIT, MRL6=1

**GO TO MRL15**

ALL OTHERS

**GO TO MRL14**

MRL14. What is the original length of time over which the loan was to be repaid?

PROMPT: We would like the original length of time the funds were made available to you. That is, the length of time over which the loan would be repaid.

IWER INFO: ENTER -1 FOR NUMBER IF LOAN MADE W/O ANY FIXED MATURITY
ENTER 1 MONTH AND 0 YEARS IF MATURITY IS LESS THAN 1 MONTH

NUMBER: _____ IN: MONTHS YEARS
DK or RF DK or RF

ALL RESPONSES ➔ GO TO MRL16

MRL15. For how long was the line of credit commitment made?

IWER INFO: ENTER -1 FOR NUMBER IF LOAN MADE W/O ANY FIXED COMMITMENT
ENTER 1 MONTH AND 0 YEARS IF COMMITMENT IS LESS THAN 1 MONTH

NUMBER: _____ IN: MONTHS YEARS
DK or RF DK or RF

MRL16. What was the dollar amount of the [credit granted/credit limit?]

AMOUNT: \$ _____ ➔ **GO TO MRL17**
DK or RF DK or RF

MRL16.1 Could you give an estimate?

AMOUNT: \$ _____
DK or RF DK or RF

SOFT RANGE CHECK: MRL16 or MRL16.1 <= MRL10 or MRL10.1
RANGE CHECK: POSITIVE INTEGER RESPONSE FOR MRL16 AND MRL16.1

MRL17. Was the interest rate fixed or variable?

PROMPT: A fixed interest rate remains constant for the entire term of the loan or line of credit; a variable interest rate may change or fluctuate over the term of the loan.

FIXED 1 → GO TO MRL20
 VARIABLE 2
 DK or RF DK or RF

MRL18. To what interest rate index was the interest rate on this [loan/line of credit] tied?

PRIME RATE 1
 OTHER (SPECIFY _____) 2
 NONE 3 → GO TO MRL20
 DK or RF DK or RF

MRL19. How many percentage points over or under this index was the interest rate on this [loan/line of credit]?

IWER INFO: IF PERCENTAGE POINTS ARE UNDER THE INDEX, RECORD RESPONSE WITH A NEGATIVE SIGN.

PERCENTAGE: _____ % → GO TO SKIP33.5
 DK or RF DK or RF

MRL19.1 Could you give an estimate?

PERCENTAGE: _____ % → GO TO SKIP33.5
 DK or RF DK or RF → GO TO MRL20

SKIP33.5

IF MRL19 or MRL19.1 < -5% or > 10%	→	GO TO MRL19.2
ALL OTHERS	→	GO TO MRL20

MRL19.2 Is this basis points or percentage points?

BASIS POINTS 1
 PERCENTAGE 2
 DK or RF DK or RF

MRL20. What was the original interest rate on this [loan/line of credit]?

PERCENTAGE: _____ % → GO TO MRL21
 EX EX → GO TO MRL21
 DK or RF DK or RF

MRL20.1 Could you give an estimate?

PERCENTAGE: _____ %
 DK or RF or EX DK or RF or EX

RANGE CHECK: 3-24%, IF <3 or >24 FORCE A COMMENT/EXPLANATION

MRL21. How many percentage points did the firm have to pay to close the [loan/line of credit]?

PERCENTAGE: _____ % → **GO TO MRL22**
 EX EX → **GO TO MRL22**
 DK or RF DK or RF

MRL21.1 Could you give an estimate?

PERCENTAGE: _____ %
 DK or RF or EX DK or RF or EX

RANGE CHECK: 0-10%, IF <0 or >10 FORCE A COMMENT/EXPLANATION

MRL22. What was the total dollar amount of fees associated with obtaining the [loan/line of credit]?
 Please include points, title transfer taxes, lawyer fees, environmental surveys, appraisals,
 application fees and other expenses at the time of the [loan/line of credit].

AMOUNT: \$ _____ → **GO TO SKIP34**
 EX EX → **GO TO SKIP34**
 DK or RF DK or RF

MRL22.1 Could you give an estimate?

AMOUNT: \$ _____
 DK or RF or EX DK or RF or EX

ALL RESPONSES → GO TO SKIP34

SOFT RANGE CHECK: MRL16 OR MRL16.1 >MRL22 OR MRL22.1

RANGE CHECK: IF MRL21 or MRL21.1 > 0, THEN MRL22 AND MRL22.1 MUST BE POSITIVE

SKIP34

IF MRL4.1 = 1; ONE APPROVED LOAN → GO TO MRL31
IF MRL4.2 = 1; ALWAYS APPROVED → GO TO MRL31
IF MRL4.2 = 3; SOMETIMES APPROVED → GO TO READ20

READ20: We would now like to talk about the firm's most recent denied loan application. Think about the firm's most recent request for a loan or line of credit that was denied or turned down. Do not include renewals for lines of credit, applications for credit cards, requests for loans from owners, or trade credit with suppliers. Do not include applications that were withdrawn or that are still pending.

MRL23. For this most recent denial, what is the name of the institution or source where the firm applied? [SHOW ROSTER OF INSTITUTIONS.]

INSTITUTION: _____ → **SET DENIED INSTITUTION FLAG**

MRL24. For the most recent denial, what type of credit was applied for from (NAME2)? Was it a (READ LIST)?

New Line of Credit 1
 Capital Lease 2
 Mortgage for Business Purposes 3
 Vehicle Loan for Business Purposes 4
 Equipment Loan 5
 Other Loan (Specify: _____) 6
 DK or RF DK or RF

MRL25. When did [FIRM] apply for the loan or new line of credit that was most recently denied?

MONTH: _____ YEAR: _____

MRL26. How long had [FIRM] conducted business with (NAME2) at the time of this most recent application?

IWER INFO: RESPONSE CAN BE ENTERED IN MONTHS AND YEARS. IF LESS THAN 1 MONTH, ENTER 1 MONTH AND 0 YEARS. IF [FIRM] NEVER DID BUSINESS WITH (NAME2), CODE 0 MONTHS AND 0 YEARS.

NUMBER: _____ IN: MONTHS YEARS
 DK or RF DK or RF

RANGE CHECK: MRL26>=0

MRL27. What factors influenced the firm's decision to apply for credit from (NAME2)?

MRL28. For this most recent denial, what was the total dollar amount for which the firm applied?

AMOUNT: \$ _____

→ GO TO MRL29

DK or RF DK or RF

MRL28.1 Could you give an estimate?

AMOUNT: \$ _____

DK or RF DK or RF

RANGE CHECK: POSITIVE INTEGER RESPONSE FOR MRL28 AND MRL28.1

MRL29. For this application, what official reasons did (NAME2) give for denying the firm's application?

MRL30. Do you think there were any other reasons that the application was turned down?

YES 1

NO 2

DK or RF DK or RF

→ GO TO MRL31

→ GO TO MRL31

MRL30.1 What were they?

MRL31. During the last three years, were there times when the firm needed credit, but did not apply because it thought the application would be turned down?

YES 1

NO 2

DK or RF DK or RF

→ GO TO SECTION G

→ GO TO SECTION G

MRL31.1 Why did you think the firm would have been turned down?

Subsection G. USE OF OTHER FINANCIAL SERVICES

READ21: The next questions are about financial services other than loans and checking and savings accounts.

- G1. The first services we'll ask about are related to business transactions. These services include obtaining paper money or coins, depositing or clearing checks or drafts from business customers, processing credit card receipts, and making night deposits or wire transfers. During (1998/the fiscal year ending [DATE]), did [FIRM] obtain any of these services from a financial institution or other source?

PROMPT: Paper money and coins includes change for retail or wholesale operations.
Credit card receipt processing would be used only by a firm that accepts credit cards. Institutions providing this service take the firm's credit card receipts, collect the funds from the credit card company, and credit the firm's account with the receipts.
Night depository allows a firm to deposit cash, checks, and other valuables at an institution overnight.
A wire transfer is an interbank transfer of funds by telephone.

PROMPT: WORKSHEET SIDE 1 SECTION J

YES	..... 1		
NO	..... 2	➔	GO TO G3
DK or RF	..... DK or RF	➔	GO TO G3

- G2. Did the firm use any of these transaction services at (READ EACH NAME ON ROSTER)?

IWER INFO: SET "TRANSACTION SERVICE" FLAGS.

- G2.1 At what other institutions did the firm use any of these transaction services during (1998/the fiscal year ending [DATE])?

IWER INFO: RECORD SOURCE NAMES ON ROSTER AND SET "TRANSACTION SERVICE" FLAGS.

- G3. The next services we'll ask about are related to cash management. During (1998/the fiscal year ending [DATE]), did [FIRM] use a financial institution or other source for cash management services, sweep or zero balance accounts, or lock box services?

PROMPT: Cash management services provide for excess checking account balances to be automatically invested in liquid, interest-bearing assets such as money market accounts or short-term certificates of deposit.
 A sweep account moves available funds in the account into overnight investments.
 A zero balance account maintains a zero balance. When funds are drawn against the account, the exact amount is transferred into the account from a cash management account.
Lock box services handle customer payments: The firm's customers send payments to a post office box, and the institution collects the payments, processes them, and deposits the funds in the firm's account.

PROMPT: WORKSHEET SIDE 1 SECTION J

YES	..... 1		
NO	..... 2	➔	GO TO G5
DK or RF	..... DK or RF	➔	GO TO G5

- G4. Did the firm use any of these cash management services at (READ EACH NAME ON ROSTER)?

IWER INFO: SET "CASH MANAGEMENT SERVICE" FLAGS.

- G4.1 At what other institutions did the firm use any of these cash management services during (1998/the fiscal year ending [DATE])?

IWER INFO: RECORD SOURCE NAMES ON ROSTER AND SET "CASH MANAGEMENT SERVICE" FLAGS.

- G5. The next services we'll ask about are related to credit. During (1998/the fiscal year ending [DATE]), did [FIRM] use bankers acceptances, letters of credit, sales financing, or factoring?

PROMPT: A bankers acceptance is an order to pay a specific amount of money on a specified date that has been accepted by a financial institution. Bankers acceptances are tied to specific purchases of goods.
Letters of credit essentially substitute the credit of a third party (usually a large bank) for that of a borrower.
Sales financing and Factoring are the purchase of a firm's accounts receivable at a discount.

PROMPT: WORKSHEET SIDE 1 SECTION J

YES	..... 1		
NO	..... 2	➔	GO TO G7
DK or RF	..... DK or RF	➔	GO TO G7

- G6. Did the firm use any of these credit related services at (READ EACH NAME ON ROSTER)?

IWER INFO: SET "CREDIT RELATED SERVICE" FLAGS.

- G6.1 At what other institutions did the firm use any of these credit related services during (1998/the fiscal year ending [DATE])?

IWER INFO: RECORD SOURCE NAMES ON ROSTER AND SET "CREDIT RELATED SERVICE" FLAGS.

G7. The next services we'll ask about are related to trusts. During (1998/the fiscal year ending [DATE]), did [FIRM] use a financial institution or other source to manage 401K plans, pension funds, business trusts, or to obtain securities safekeeping services?

PROMPT: A 401(k) plan is a retirement plan created and administered by the firm.
 A pension fund controls assets and disburses the income to people after they have retired from gainful employment.
 A business trust is a service rendered by a trust company or the trust department of a bank including settlement of estates and administration of trusts and guardianships.
Securities safekeeping is a service in which the institution retains securities and checks until they are sold or cashed by the firm.

PROMPT: WORKSHEET SIDE 1 SECTION J

YES	..... 1		
NO	..... 2	➔	GO TO G9
DK or RF	..... DK or RF	➔	GO TO G9

G8. Did the firm use any of these trust services at (READ EACH NAME ON ROSTER)?

IWER INFO: SET "TRUST SERVICE" FLAGS.

G8.1 At what other institutions did the firm use any of these trust services during (1998/the fiscal year ending [DATE])?

IWER INFO: RECORD SOURCE NAMES ON ROSTER AND SET "TRUST SERVICE" FLAGS.

G9. The last services we'll ask about are related to brokerages. During (1998/the fiscal year ending [DATE]), did [FIRM] use brokerage services for business purposes?

PROMPT: Brokerage services involve the purchase and sale of stocks, bonds, and other securities.

PROMPT: WORKSHEET SIDE 1 SECTION J

YES	..... 1	
NO	..... 2	➔ GO TO SECTION H
DK or RF	..... DK or RF	➔ GO TO SECTION H

G10. Did the firm use any of these brokerage services at (READ EACH NAME ON ROSTER)?

IWER INFO: SET "BROKERAGE SERVICE" FLAGS.

G10.1 At what other institutions did the firm use any of these brokerage services during (1998/the fiscal year ending [DATE])?

IWER INFO: RECORD SOURCE NAMES ON ROSTER AND SET "BROKERAGE SERVICE" FLAGS.

Subsection H. RELATIONSHIPS WITH FINANCIAL INSTITUTIONS**PROGRAMMER AND USER NOTES**

This section collects information on the firm's primary institution (question H1), the denied loan institution (section MRL), the approved loan institution (section MRL), and up to five other institutions/sources. Always collect information on:

- 1) THE PRIMARY INSTITUTION/SOURCE (QUESTION H1)
- 2) THE APPROVED LOAN INSTITUTION (QUESTION MRL5)
- 3) THE DENIED LOAN INSTITUTION (QUESTION MRL23)

For institutions other than the primary, approved, and denied institution, identify using the following priority levels:

- 4) INSTITUTIONS/SOURCES WITH CHECKING/SAVINGS, LOANS, & OTHER SERVICES
- 5) INSTITUTIONS/SOURCES WITH CHECKING/SAVINGS & LOANS
- 6) INSTITUTIONS/SOURCES WITH OTHER SERVICES & LOANS
- 7) INSTITUTIONS/SOURCES WITH LOANS ONLY
- 8) INSTITUTIONS/SOURCES WITH CHECKING/SAVINGS & OTHER SERVICES
- 9) INSTITUTIONS/SOURCES WITH CHECKING/SAVINGS
- 10) INSTITUTIONS /SOURCES WITH OTHER SERVICES

H2-H8 are to be completed for up to eight institutions/sources.

Loans from owners/partners do not count as financial services. Therefore, they do not affect the prioritization process.

SKIP35

IF FIRM USED NO FINANCIAL INSTITUTIONS/SOURCES	➔	GO TO SECTION L
IF FIRM USED ONLY ONE FINANCIAL INSTITUTION/SOURCE, AUTOMATICALLY FILL IN H1 AND	➔	GO TO READ22
IF FIRM USED MORE THAN ONE FINANCIAL INSTITUTION/SOURCE	➔	GO TO H1

H1. We have discussed the following institutions and sources of financial services: (READ NAMES ON ROSTER). Which of these was the firm's primary source of financial services?

PROMPT: Choose the one that you consider to be the firm's most important source of financial services.

INSTITUTION: _____

READ22: The next questions are about the characteristics of the financial institutions or sources of financing

used by [FIRM].

Characteristics of Financial Institutions/sources

READ23: [First/Next] let's discuss (NAME).

H2_(1-8) What type of institution or source is (NAME)?

PROMPT, IF NEEDED: Is it a . . . READ ONLY IF NECESSARY:

PROMPT: Generally, American Express should be classified as a finance company.

Commercial bank	1
Savings bank	2
Savings and loan association	3
Credit union	4
Finance company	5
Insurance company	6
Brokerage or mutual fund company	7
Leasing company	8
Mortgage bank	9
Venture capital firm or SBIC (Small Business Investment Company)	10
Other business firm	11
Family or other individuals	12
Government agency (includes Small Business Administration) .	13
Other type	14
→ READ: Please specify _____	
DK or RF	DK or RF

H3_(1-8) I have recorded that the firm used (NAME) for the following services: (READ LIST OF SERVICES). What factors influenced the firm's decision to use this source?

H4_(1-8) For how long has [FIRM] conducted business with (NAME) (under its current name)?

IWER INFO: IF R NO LONGER CONDUCTS BUSINESS WITH APPROVED OR DENIED INSTITUTION, CODE ZERO MONTHS AND ZERO YEARS.

IWER INFO: IF R CONDUCTS BUSINESS WITH INSTITUTION, BUT LESS THAN ONE MONTH, CODE 1 MONTH AND ZERO YEARS.

NUMBER: _____ IN: MONTHS YEARS → **GO TO READ24**
 DK or RF DK or RF

RANGE CHECK: NUMBER >= 0

H4.1_(1-8) Can you please tell me approximately how many years [FIRM] has conducted business with (NAME). Has it been...

Less than 1 year 1
 1-3 years 2
 4-6 years 3
 7-9 years 4
 10-15 years 5
 More than 15 years 6
 DK or RF DK or RF

Location Used Most Frequently

READ24: Think of the office or branch of (NAME) that the firm used most frequently during (1998/the fiscal year ending [DATE]).

H5_(1-8) What is the city, state, and ZIP Code for this office or branch?

CITY: _____ STATE: _____ ZIP: _____

SKIP36

IF ZIP IS UNKNOWN, DK or RF

→ **GO TO H5.1**

IF ZIP IS FILLED

→ **GO TO H6**

H5.1_(1-8) What is the area code and telephone number for this office or branch?

AREA CODE AND TELEPHONE NUMBER: (_____) _____ - _____

H6_(1-8) IWER INFO: IF OFFICE IN SAME CITY AS FIRM, CODE "YES" WITHOUT ASKING. OTHERWISE:

Is this office located in the same metropolitan area or county as the main office of [FIRM]?

YES 1
 NO 2 → **GO TO H8**
 DK or RF DK or RF

H7_(1-8) Approximately how many miles from the main office of the firm is this office or branch of (NAME)?

MILES: _____ → **GO TO H8**
 DK OR RF DK or RF

SOFT RANGE CHECK: MILES ≥ 0 AND ≤ 100
RANGE CHECK: MILES ≥ 0 AND ≤ 250

H7.1_(1-8) Is it...

Between 0 and 5 miles 1
 6 - 10 miles 2
 11 - 15 miles 3
 16 - 20 miles 4
 21 and 40 miles 5
 41 and 60 miles 6
 61 and 80 miles 7
 81 and 100 miles 8
 More than 100 miles 9
 DK or RF DK or RF

H8_(1-8) What was the most frequent method of conducting business with this office or branch? Was it in person, by telephone, by mail or wire, through an ATM, through a personal computer, or something else?

IN PERSON 1
 BY TELEPHONE 2
 BY MAIL 3
 DIRECT WITHDRAWAL OR WIRE 4
 THROUGH AN ATM 5
 USE OF A PERSONAL COMPUTER
 OR THE INTERNET 6
 OTHER 7
 → **READ:** Please specify _____
 DK or RF DK or RF

→ **GO TO READ23 FOR NEXT INSTITUTION/SOURCE OR, IF DONE, GO TO SECTION L**

Subsection L. TRADE CREDIT

READ25: The next questions are about the firm's use of trade credit. Trade credit refers to purchases on account with a supplier.

- L1. During (1998/the fiscal year ending [DATE]), did [FIRM] make any purchases of goods or services from suppliers on account rather than pay before or at the time of the delivery?

YES	.....	1	
NO	.....	2	→ GO TO L13
DK or RF	.....	DK or RF	→ GO TO L13

- L2. Think of the total dollar amount of all purchases made by the firm during (1998/the fiscal year ending [DATE]). What percentage of these purchases were made using trade credit?

PERCENTAGE:	_____	%	→ GO TO L3
DK or RF	.....	DK or RF	

- L2.1 Could you give an estimate?

PERCENTAGE:	_____	%
DK or RF	.....	DK or RF

RANGE CHECK: L2 AND L2.1 PERCENTAGE > 0 AND <= 100

- L3. From how many suppliers did [FIRM] make purchases using trade credit during (1998/the fiscal year ending [DATE])?

NUMBER:	_____
DK or RF	..... DK or RF

- L3.1 Could you give an estimate?

NUMBER:	_____
DK or RF	..... DK or RF

SOFT RANGE CHECK: NUMBER >= 1 AND <= 999
RANGE CHECK: NUMBER >=1 AND <= 2000

L4. What percentage of your suppliers offer cash discounts for prompt payment?

PROMPT: Typically, a discount is a specific percentage reduction in the amount of a bill if the bill is paid within a specific period of time.

PERCENTAGE: _____ % → **GO TO SKIP37**
 DK or RF DK or RF

L4.1 Could you give an estimate?

PERCENTAGE: _____ %
 DK or RF DK or RF

RANGE CHECK: L4 AND L4.1 PERCENTAGE ≥ 0 AND ≤ 100

SKIP37

IF L4 OR L4.1 = 0% OR DK OR RF → **GO TO L6**
 ALL OTHER RESPONSES → **GO TO L5**

L5. What percentage of the cash discounts offered did the firm take advantage of?

PERCENTAGE: _____ % → **GO TO L6**
 DK or RF DK or RF

L5.1 Could you give an estimate?

PERCENTAGE: _____ %
 DK or RF DK or RF

RANGE CHECK: L5 AND L5.1 PERCENTAGE ≥ 0 AND ≤ 100

L6. During (1998/the fiscal year ending [DATE]), did the firm ever make payments on account after the bill was due in full?

YES 1
 NO 2 → **GO TO READ26**
 DK or RF DK or RF → **GO TO READ26**

L7. What percentage of the balances on account were made after the bill was due in full?

PERCENTAGE: _____ % → **GO TO READ26**
 DK or RF DK or RF

L7.1 Could you give an estimate?

PERCENTAGE: _____ %
 DK or RF DK or RF

RANGE CHECK: L7 AND L7.1 PERCENTAGE >0 AND <= 100

READ26: Now please think about the most important supplier that offered you trade credit during (1998/the fiscal year ending [DATE]).

SKIP38

IF NO SUPPLIERS OFFER A DISCOUNT (L4 OR L4.1 = 0%) → GO TO L11
ALL OTHERS (L4 OR L4.1 > 0%), CONTINUE → GO TO L8

L8. Did this supplier offer a discount for early payments?

PROMPT: Sometimes suppliers will reduce the bill by 1 or 2 percent if the firm pays within a short period, such as 10 days, after delivery.

YES 1
 NO 2 → **GO TO L11**
 DK or RF DK or RF → **GO TO L11**

L9. How long was the discount period for early payment?

NUMBER OF DAYS: _____ → **GO TO L10**
 EX EX → **GO TO L10**
 DK or RF DK or RF

L9.1 Could you give an estimate?

NUMBER OF DAYS: _____
 DK or RF or EX DK or RF or EX

RANGE CHECK: NUMBER OF DAYS >= 0 AND <= 15

L10. What was the percentage discount for early payment?

PERCENTAGE: _____ % ➔ **GO TO L11**
 EX EX ➔ **GO TO L11**
 DK or RF DK or RF

L10.1 Could you give an estimate?

PERCENTAGE: _____ %
 DK or RF or EX DK or RF or EX

RANGE CHECK: PERCENTAGE >=0 AND <= 5

L11. How long after the invoice date was the bill due in full?

PROMPT: How long was the period before the supplier would assess a penalty for late payment?

IWER INFO: IF R GIVES A RANGE OF DAYS, CODE THE LARGER NUMBER

CASH ON DELIVERY/DUE ON RECEIPT/ZERO DAYS 1
 7 DAYS/1 WEEK 2
 10 DAYS 3
 14 DAYS/2 WEEKS 4
 15 DAYS 5
 20 DAYS 6
 30 DAYS 7
 45 DAYS 8
 60 DAYS 9
 90 DAYS 10
 OTHER 11

➔ **READ:** Please specify _____

DK or RF DK or RF

L12. What was the monthly penalty, if any, for paying after this due date?

PROMPT: Penalty charges are typically 1 or 2 percent per month on the unpaid balance.

PERCENTAGE: _____ % ➔ **GO TO L13**
 EX EX ➔ **GO TO L13**
 DK or RF DK or RF

L12.1 Could you give an estimate?

PERCENTAGE: _____ %
 DK or RF or EX DK or RF or EX

RANGE CHECK: PERCENTAGE >= 0 AND <= 5

L13. Has any supplier that offers trade credit to business customers denied a request by your firm for trade credit?

YES 1

NO 2

DK or RF DK or RF

➔ **GO TO SECTION M**

➔ **GO TO SECTION M**

L14. Why did the supplier turn down the request?

Subsection M. NEW EQUITY INVESTMENTS IN THE FIRM

READ27: The next questions are about any equity invested in the firm during the last year. Equity investments provide the investor with an ownership interest in the firm while providing the firm with cash or some other asset. Do not include any funds that the firm obtained from loans, or that must be repaid at some future date.

M1. During (1998/the fiscal year ending [DATE]), did [FIRM] obtain additional equity capital from existing owners, new or existing partners, or existing shareholders?

PROMPT: Retained earnings do not count as new equity. Retained earnings will be recorded later when we discuss equity.

YES	..... 1		
NO	..... 2	→	GO TO SKIP39
DK or RF	..... DK or RF	→	GO TO SKIP39

M2. How much additional equity capital did the firm obtain?

AMOUNT: \$	_____	→	GO TO M3
DK or RF	..... DK or RF		

M2.1 Could you give an estimate?

AMOUNT: \$	_____
DK or RF	..... DK or RF

RANGE CHECK: M2 and M2.1 MUST BE A POSITIVE INTEGER NUMBER

M3. What was the primary use of this additional equity capital?

Working capital	..... 1
Motor vehicle loans	..... 2
Other equipment or machinery	..... 3
Leasehold improvements	..... 4
Land and buildings	..... 5
Other specify: _____	..... 6
DK or RF	..... DK or RF

SKIP39

IF PROPRIETORSHIP OR PARTNERSHIP, B3 = 1, 2, 3, 7 or 9	→	GO TO SECTION III, P
IF C-CORPORATION OR S-CORPORATION, B3 = 4, 5, 6, 8	→	GO TO M4

S-Corporations and C-Corporations

- M4. During (1998/the fiscal year ending [DATE]), did [FIRM] obtain additional equity capital from sources other than existing shareholders excluding retained earnings?

PROMPT: Equity investments entail the transfer of common or preferred stock from the firm to the investor in exchange for cash or some other asset.

PROMPT: Equity includes common stock, preferred stock, convertible preferred stock, subordinated debt with warrants, and convertible subordinated debt.

YES	..... 1		
NO	..... 2	→	GO TO SECTION P
DK or RF	..... DK or RF	→	GO TO SECTION P

- M5. What was the dollar amount of this additional equity capital raised from sources other than existing shareholders?

AMOUNT: \$ _____ → **GO TO M6**
 DK or RF DK or RF

- M5.1 Could you give an estimate?

AMOUNT: \$ _____
 DK or RF DK or RF

RANGE CHECK: M5 and M5.1 MUST BE A POSITIVE INTEGER NUMBER

- M6. What was the primary use of the equity capital?

Working capital	..... 1
Motor vehicle loans	..... 2
Other equipment or machinery	..... 3
Leasehold improvements	..... 4
Land and buildings	..... 5
Other (specify: _____)	... 6
DK or RF	..... DK or RF

M7. Did the firm raise equity from...

1) Informal investors not related to management? 1

PROMPT: "Informal" investors not related to management refer generally to individual investors, often local business persons who may have business experience in related ventures.

2) A venture capital firm? 2

PROMPT: A venture capital firm specializes in providing equity financing and managerial expertise to new and growing businesses.

3) Public equity? 3

PROMPT: Public equity refers to shares of the firm sold to the public, rather than to a specific group of investors or firms. Generally, these public offerings use an investment bank to sell the new equity shares. These stock sales are sometimes referred to as "public offerings" or "initial public offerings."

4) Another source? Please specify:_____ 4

DK or RF DK or RF

SECTION III: INCOME AND EXPENSES**Subsection P. INCOME AND EXPENSES****SKIP40**

IF USING WORKSHEET, N1 = 2

→ **GO TO READ28a**

ALL OTHERS

→ **GO TO READ28b**

READ28a: Now I'd like to ask about the firm's income and expenses during (1998/the fiscal year ending [DATE]). I need dollar amounts. If your worksheet includes all of the dollar amounts requested, there is no need to consult your income tax records, balance sheet or income statement. Please turn to the worksheet now.

READ28b: Now I'd like to ask about the firm's income and expenses during (1998/the fiscal year ending [DATE]). I need dollar amounts. This information can easily be found on the firm's income tax return, and my experience is that these questions will go very quickly if you are able to report from your tax forms or records. It will also be very helpful to have the firm's balance sheet and income statement, if you have them available, to answer the questions in the next section.

IWER INFO: ALLOW THE RESPONDENT TIME TO RETRIEVE THEIR RECORDS

P1. First, do [FIRM's] accounting or tax records cover the entire 12 months of (1998/the fiscal year ending [DATE])?

YES 1
 NO 2
 DK or RF DK or RF

→ **GO TO P2**

P1.1 What was the beginning date for this accounting period?

MONTH: _____ DAY: _____ YEAR: _____

DK or RF DK or RF

**RANGE CHECK: BEGINNING YEAR MUST BE SAME YEAR OR YEAR BEFORE ENDING YEAR
 NUMBER OF MONTHS COVERED BY ACCOUNTING PERIOD MUST BE BETWEEN 1 & 12**

P2. To be sure that I have entered your answer correctly, I will verify each answer that I have recorded in this and the following sections. During (1998/the fiscal year ending [DATE]), what were [FIRM's] total sales or total receipts?

PROMPT: This amount is often referred to as total sales, less amounts for returned merchandise or as "gross receipts or sales less returns and allowances."

PROMPT: WORKSHEET SIDE 2 LINE1

TAX FORM INFO:

Sole Proprietorship: 1040 Schedule C Part I Line 3 or Schedule C-EZ Part II Line 1

Partnership: 1065 Line 1c

S-Corporation: 1120S Line 1c

C-Corporation: 1120 or 1120A Line 1c

AMOUNT: \$ _____

EX	.....	EX	→ GO TO SKIP41
DK	.....	DK	→ GO TO P2.2
RF	.....	RF	→ GO TO P2.3

P2.1. I have recorded (DOLLAR ENTRY) dollars. Is that correct?

YES	.....	1	→ GO TO SKIP41
NO	.....	2	→ GO BACK to P2

P2.2 Could you give an estimate?

AMOUNT: \$	_____	→ GO TO SKIP41	
EX	.....	EX	→ GO TO SKIP41
DK or RF	.....	DK or RF	

RANGE CHECK: NONNEGATIVE INTEGERS ONLY, P2 & P2.2 >=0

P2.3 Could you indicate whether total sales or total receipts were:

\$10,000 or less	.....	1
More than \$10,000 but less than or equal to \$50,000	.....	2
More than \$50,000 but less than or equal to \$100,000	.....	3
More than \$100,000 but less than or equal to \$500,000	.....	4
More than \$500,000 but less than or equal to \$1 million	.....	5
More than \$1 million but less than \$5 million	.....	6
\$5 million or more	.....	7
DK or RF	.....	DK or RF

SKIP41

IF FIRM WAS NOT IN BUSINESS DURING PRIOR FY,

i.e, C9 OR C22 OR C36=[TAX YEAR]

→ GO TO P4

ALL OTHERS

→ GO TO P3

P3. For comparison purposes, what were the firm's total sales during (1997/ the fiscal year ending [DATE - 1 YEAR])?

IWER INFO: IF FIRM WAS NOT IN BUSINESS LAST YEAR, USE EXCEPTION KEY AND RECORD COMMENT, "FIRM WAS NOT IN BUSINESS LAST YEAR."

PROMPT: This amount is often referred to as total sales, less amounts for returned merchandise or as "gross receipts or sales less returns and allowances."

PROMPT: WORKSHEET SIDE 2 LINE 2

TAX FORM INFO:

Sole Proprietorship: 1040 Schedule C Part I Line 3 or Schedule C-EZ Part II Line 1

Partnership: 1065 Line 1c

S-Corporation: 1120S Line 1c

C-Corporation: 1120 or 1120A Line 1c

AMOUNT: \$ _____

EX	.....	EX	→	GO TO SKIP42
DK	.....	DK	→	GO TO P3.2
RF	.....	RF	→	GO TO P3.3

P3.1 That's (DOLLAR ENTRY)?

YES	.....	1	→	GO TO SKIP42
NO	.....	2	→	GO BACK to P3

P3.2 Could you give an estimate?

AMOUNT: \$	_____		→	GO TO SKIP42
EX	.....	EX	→	GO TO SKIP42
DK or RF	.....	DK or RF	→	GO TO P3.3

RANGE CHECK: NONNEGATIVE INTEGERS ONLY, P3 & P3.2 >=0

SKIP42

IF P2 (OR P2.2) AND P3 (OR P3.2) COMPLETE	→	GO TO P4
IF P2 (OR P2.2) OR P3 (OR P3.2) INCOMPLETE	→	CONTINUE WITH P3.3

P3.3 Were the firm's total sales during (1997/ the fiscal year ending [DATE - 1 YEAR]) more, less, or the same as total sales during (1998/the fiscal year ending [DATE])?

More	.....	1
Less	.....	2
About the same	.....	3
DK or RF	.....	DK or RF

P4. Besides total sales, what was the total amount of any other income [FIRM] received during (1998/the

fiscal year ending [DATE])?

PROMPT: This amount is any other business income the firm may have had that was not included in gross receipts or sales, such as federal and state gasoline tax refunds or a fuel tax credit or refund.

PROMPT (CORPS ONLY): This amount includes all income other than gross receipts.

PROMPT: WORKSHEET SIDE 2 LINE3

TAX FORM INFO:

Sole Proprietorship: 1040 Schedule C Part I Line 6

Partnership: 1065 Sum of Lines 4 thru 7 + Schedule K Lines 2 thru 7 + 19 + 20

S-Corporation: 1120S Line 4 + 5 + Schedule K, Sum of Lines 2 thru 6 + 17 + 18

C-Corporation: 1120 or 1120A Sum of Lines 4 thru 10

AMOUNT: \$ _____

EX	.....	EX	➔	GO TO P5
DK	.....	DK	➔	GO TO P4.2
RF	.....	RF	➔	GO TO P4.3

P4.1 That's (DOLLAR ENTRY)?

YES	.....	1	➔	GO TO P5
NO	.....	2	➔	GO BACK to P4

P4.2 Could you give an estimate?

AMOUNT: \$	_____	➔	GO TO P5	
EX	.....	EX	➔	GO TO P5
DK or RF	.....	DK or RF		

RANGE CHECK: NONNEGATIVE INTEGERS ONLY, P4 & P4.2 >=0

P4.3 Could you indicate whether total amount of any other income was:

\$10,000 or less	.....	1
More than \$10,000 but less than or equal to \$50,000	.....	2
More than \$50,000 but less than or equal to \$100,000	.....	3
More than \$100,000 but less than or equal to \$500,000	.....	4
More than \$500,000 but less than or equal to \$1 million	.....	5
More than \$1 million but less than \$5 million	.....	6
\$5 million or more	.....	7
DK or RF	.....	DK or RF

P5. Now I want to ask you about the cost of doing business which is the sum of the cost of goods and services sold and the total of selling, general and administrative expenses. During (1998/the fiscal year

ending [DATE]), what was the total cost of doing business?

PROMPT: The cost of doing business is the sum of the cost of all purchased goods and services, marketing expenses, administrative expenses, and other expenses.

PROMPT: The cost of goods or services sold is calculated by summing (1) the value of beginning-year inventory, (2) purchases less the cost of items withdrawn for personal use, (3) the cost of labor, materials and supplies, and (4) other costs subtracting year-end inventory. These expenses are subtracted from gross profit and other income to determine the firm's [net profit or loss/ordinary income from business activities/taxable income], such as salaries, business expenses, overhead, depreciation, and other expenses.

PROMPT: WORKSHEET SIDE 2 LINE 4

TAX FORM INFO:

Sole proprietorship: 1040 Schedule C Part I Line 4 + Part II Lines 28 + 30 OR
Schedule C-EZ Part II Line 2

Partnership: 1065 Lines 2+20 plus Schedule K lines 8 thru 11+ 14a 17e+18b+21

S-Corporation: 1120S Lines 2 + 20 plus Schedule K lines 7 thru 11a +15e + 16b

C-Corporation: 1120 Lines 2 + 27 OR 1120A Lines 2 + 23

AMOUNT: \$ _____

EX	.....	EX	→	GO TO SKIP43
DK	.....	DK	→	GO TO P5.2
RF	.....	RF	→	GO TO P5.3

P5.1 That's (DOLLAR ENTRY)?

YES	.....	1	→	GO TO SKIP43
NO	.....	2	→	GO BACK TO P5

P5.2 Could you give an estimate?

AMOUNT: \$	_____	→	GO TO SKIP43	
EX	.....	EX	→	GO TO SKIP43
DK or RF	.....	DK or RF		

RANGE CHECK: NONNEGATIVE INTEGERS ONLY, P5 & P5.2 >=0

P5.3 Could you indicate whether total amount of total cost of doing business was:

\$10,000 or less	.....	1
More than \$10,000 but less than or equal to \$50,000	.....	2
More than \$50,000 but less than or equal to \$100,000	.....	3
More than \$100,000 but less than or equal to \$500,000	.....	4
More than \$500,000 but less than or equal to \$1 million	.....	5
More than \$1 million but less than \$5 million	.....	6
\$5 million or more	.....	7
DK or RF	.....	DK or RF

ALL RESPONSES → GO TO SKIP43

SKIP43

FOR SOLE PROP:

IF P2 (OR P2.2), P4 (OR P4.2), AND P5 (OR P5.2) ARE COMPLETE* → GO TO SECTION R
OTHERWISE → GO TO P6

FOR PARTNERSHIP OR S-CORPORATION:

IF P2 (OR P2.2), P4 (OR P4.2), AND P5 (OR P5.2) ARE COMPLETE* → GO TO SECTION R
OTHERWISE → GO TO P8

FOR C-CORPORATION:

IF P2 (OR P2.2), P4 (OR P4.2), AND P5 (OR P5.2) ARE COMPLETE* → GO TO P12
OTHERWISE → GO TO P10

***COMPLETE IS NONNEGATIVE INTEGER OR AN EXCEPTION CODE, NOT DK OR RF**

Sole Proprietorships

P6. Profit is the firm's income after all expenses and taxes have been deducted. What was (FIRM'S) total profit or loss for (1998/the fiscal year ending [DATE])?

IWER INFO: RECORD LOSSES AS NEGATIVE NUMBERS

PROMPT: WORKSHEET SIDE 2 LINE 5

TAX FORM INFO:

Sole Proprietorship: 1040 Schedule C Part II Line 31 or Schedule C-EZ Part II, Line 3

AMOUNT: \$ _____

DK	.....	DK	→ GO TO P6.2
RF	.....	RF	→ GO TO P7

P6.1 That's a [PROFIT/LOSS] of (DOLLAR ENTRY)?

IWER INFO: IF P6 IS NEGATIVE, READ "LOSS", OTHERWISE READ "PROFIT"

YES	.....	1	→ GO TO SECTION R
NO	.....	2	→ GO BACK TO P6

P6.2 Could you give an estimate?

AMOUNT: \$	_____	→ GO TO SECTION R
DK or RF	.....	DK or RF

P7. Could you tell me whether (FIRM) had a profit, loss, or broke even for (1998/the fiscal year ending [DATE])?

Positive net profit/net gain	1	➔ GO TO P7.1
Negative net profit/net loss	2	➔ GO TO P7.2
No profit/breakeven	3	➔ GO TO SECTION R
DK or RF	DK or RF	➔ GO TO SECTION R

P7.1 Could you indicate whether the net profit was:

\$10,000 or less	1
More than \$10,000 but less than or equal to \$50,000	2
More than \$50,000	
but less than or equal to \$100,000	3
More than \$100,000	
but less than or equal to \$500,000	4
More than \$500,000	
but less than or equal to \$1 million	5
More than \$1 million	
but less than \$5 million	6
\$5 million or more	7
DK or RF	DK or RF

ALL RESPONSES ➔ GO TO SECTION R

P7.2 Could you indicate whether the net loss was:

\$10,000 or less	1
More than \$10,000 but less than or equal to \$50,000	2
More than \$50,000	
but less than or equal to \$100,000	3
More than \$100,000	
but less than or equal to \$500,000	4
More than \$500,000	
but less than or equal to \$1 million	5
More than \$1 million	
but less than \$5 million	6
\$5 million or more	7
DK or RF	DK or RF

ALL RESPONSES ➔ GO TO SECTION R

Partnerships or S-corporations

P8. During (1998/the fiscal year ending [DATE]), what was (FIRM's) ordinary income or loss?

PROMPT: Ordinary income or loss is the total amount of income or loss less the total amount of deductions.

IWER INFO: RECORD LOSSES AS NEGATIVE NUMBERS

PROMPT: WORKSHEET SIDE 2 LINE 5

TAX FORM INFO:

Partnership: 1065 Line 22

S-Corporation: 1120S Line 21 plus Schedule K Line 23

AMOUNT: \$ _____

DK DK

RF RF

→ **GO TO P8.2**

→ **GO TO P9**

P8.1 That's an [ordinary income of/loss of] (DOLLAR ENTRY)?

IWER INFO: IF P8 IS NEGATIVE, READ "LOSS", OTHERWISE READ "ORDINARY INCOME"

YES 1

NO 2

→ **GO TO SECTION R**

→ **GO BACK to P8**

P8.2 Could you give an estimate?

AMOUNT: \$ _____

DK or RF DK or RF

→ **GO TO SECTION R**

P9. Could you indicate whether the ordinary income was . . .

Positive ordinary income/net gain 1

Negative ordinary income/net loss 2

Zero ordinary income/breakeven 3

DK or RF DK or RF

→ **GO TO P9.1**

→ **GO TO P9.2**

→ **GO TO SECTION R**

→ **GO TO SECTION R**

- P9.1 Could you indicate whether the gain in ordinary income was:
- \$10,000 or less 1
 - More than \$10,000 but less than or equal to \$50,000 2
 - More than \$50,000
 - but less than or equal to \$100,000 3
 - More than \$100,000
 - but less than or equal to \$500,000 4
 - More than \$500,000
 - but less than or equal to \$1 million 5
 - More than \$1 million
 - but less than \$5 million 6
 - \$5 million or more 7
 - DK or RF DK or RF

ALL RESPONSES ➔ GO TO SECTION R

- P9.2 Could you indicate whether the loss in ordinary income was:
- \$10,000 or less 1
 - More than \$10,000 but less than or equal to \$50,000 2
 - More than \$50,000
 - but less than or equal to \$100,000 3
 - More than \$100,000
 - but less than or equal to \$500,000 4
 - More than \$500,000
 - but less than or equal to \$1 million 5
 - More than \$1 million
 - but less than \$5 million 6
 - \$5 million or more 7
 - DK or RF DK or RF

ALL RESPONSES ➔ GO TO SECTION R

Corporations

P10. During (1998/the fiscal year ending [DATE]), what was (FIRM's) taxable income?

PROMPT: Taxable income is the total amount of income less the total amount of deductions. The total amount of deductions includes any net operating loss or special deductions.

IWER INFO: RECORD LOSSES AS NEGATIVE NUMBERS

PROMPT: WORKSHEET SIDE 2 LINE 5a

TAX FORM INFO:

C-Corporation: 1120 Line 30 OR 1120A Line 26

AMOUNT: \$ _____

DK DK → **GO TO P10.2**

RF RF → **GO TO P11**

P10.1 That's a [gain/loss] in taxable income of (DOLLAR ENTRY)?

YES 1 → **GO TO P12**

NO 2 → **GO BACK to P8**

P10.2 Could you give an estimate?

AMOUNT: \$ _____ → **GO TO P12**

DK or RF DK or RF

P11. Could you tell me whether [FIRM] had positive taxable income, negative taxable income, or broke even for (1998/the fiscal year ending [DATE])?

Positive taxable income/net gain 1 → **GO TO P11.1**

Negative taxable income/net gain 2 → **GO TO P11.2**

Zero taxable income/break even 3 → **GO TO SECTION R**

DK or RF DK or RF → **GO TO P12**

P11.1 Could you indicate whether the net gain in taxable income was:

\$10,000 or less 1

More than \$10,000 but less than or equal to \$50,000 2

More than \$50,000 but less than or equal to \$100,000 3

More than \$100,000 but less than or equal to \$500,000 4

More than \$500,000 but less than or equal to \$1 million 5

More than \$1 million but less than \$5 million 6

\$5 million or more 7

DK or RF DK or RF

ALL RESPONSES → GO TO P12

P11.2 Could you indicate whether the net loss in taxable income was:

\$10,000 or less	1
More than \$10,000 but less than or equal to \$50,000	2
More than \$50,000 but less than or equal to \$100,000	3
More than \$100,000 but less than or equal to \$500,000	4
More than \$500,000 but less than or equal to \$1 million	5
More than \$1 million but less than \$5 million	6
\$5 million or more	7
DK or RF	DK or RF

ALL RESPONSES → GO TO P12

P12. What was the firm's total corporate tax?

IWER INFO: RECORD NET TAX REFUND AS NEGATIVE NUMBER

PROMPT: WORKSHEET SIDE 2 LINE 5b

TAX FORM INFO:

C-Corporation: 1120 Line 31 OR 1120A Line 27

AMOUNT: \$ _____

DK	DK
RF	RF

→ **GO TO P12.2**
→ **GO TO P13**

P12.1 That's (DOLLAR ENTRY)?

YES	1
NO .....	.2

→ **GO TO SECTION R**
→ **GO BACK to P12**

P12.2 Could you give me an estimate?

IWER INFO: RECORD NET TAX REFUND AS NEGATIVE NUMBER

AMOUNT: \$ _____
DK or RF

→ **GO TO SECTION R**

P13. Could you indicate whether the firm's total corporate tax was:

A positive amount	1
A negative amount	2
Zero/break even	3
DK or RF	DK or RF

→ **GO TO P13.1**
→ **GO TO P13.2**
→ **GO TO SECTION R**
→ **GO TO SECTION R**

P13.1 Could you indicate whether the firm's total corporate tax expense was:

\$10,000 or less	1
More than \$10,000 but less than or equal to \$50,000	2
More than \$50,000	
but less than or equal to \$100,000	3
More than \$100,000	
but less than or equal to \$500,000	4
More than \$500,000	
but less than or equal to \$1 million	5
More than \$1 million	
but less than \$5 million	6
\$5 million or more	7
DK or RF	DK or RF

ALL RESPONSES ➔ GO TO SECTION R

P13.2 Could you indicate whether the firm's total corporate tax deduction was:

\$10,000 or less	1
More than \$10,000 but less than or equal to \$50,000	2
More than \$50,000	
but less than or equal to \$100,000	3
More than \$100,000	
but less than or equal to \$500,000	4
More than \$500,000	
but less than or equal to \$1 million	5
More than \$1 million	
but less than \$5 million	6
\$5 million or more	7
DK or RF	DK or RF

ALL RESPONSES ➔ GO TO SECTION R

SECTION IV - BALANCE SHEET

READ29: Now I'd like to ask about the firm's assets, liabilities, and equity. The first questions are about the firm's assets as of [DATE]. If an asset is used 50 percent or more in the firm, then please consider it a business asset and include it in your answers.

Subsection R. ASSETS**SKIP44**

IF FIRM HAS A CHECKING OR SAVINGS ACCOUNT, E1=1 OR E4=1 → **GO TO READ30**
 IN NO CHECKING OR SAVINGS ACCOUNT → **GO TO R1**

READ30: Earlier you said that, at the end of (1998/the fiscal year ending [DATE]), the firm had checking or savings accounts at...

IWER INFO: READ ALL INSTITUTION NAMES WITH A CHECKING OR SAVINGS ACCOUNT(S).

R1. First, I am going to ask you about cash, that is, the total amount of cash on hand, and in checking, savings, money market accounts, certificates of deposit, and other time deposits. What was the total dollar amount of the firm's cash holdings?

PROMPT: WORKSHEET SIDE 2 LINE 6

TAX FORM INFO:

Partnership: 1065 Schedule L Line 1d

S-Corporation: 1120S Schedule L Line 1d

C-Corporation: 1120 Schedule L Line 1d OR 1120A Part III Line 1b

IWER INFO: IF THE AMOUNT HAS ALREADY BEEN PRORATED THEN TAKE THE PRORATED AMOUNT. IF THE AMOUNT HAS NOT BEEN PRORATED, TAKE THE TOTAL VALUE.

AMOUNT: \$ _____ → **GO TO R1.1**
 DK DK → **GO TO R1.2**
 RF RF → **GO TO R1.3**

R1.1 That's (DOLLAR ENTRY)?

YES 1 → **GO TO R2**
 NO 2 → **GO BACK to R1**

R.1.2 Could you give me an estimate?

AMOUNT: \$ _____ → **GO TO R2**
 DK or RF DK or RF

R1.3 Could you indicate whether the firm's cash holdings were:

- \$10,000 or less 1
- More than \$10,000 but less than or equal to \$50,000 2
- More than \$50,000 but less than or equal to \$100,000 3
- More than \$100,000 but less than or equal to \$500,000 4
- More than \$500,000 but less than or equal to \$1 million 5
- More than \$1 million but less than \$5 million 6
- \$5 million or more 7
- DK or RF DK or RF

R2. What was the amount of the firm's accounts receivable and trade notes, minus allowances for bad debts?

PROMPT: That is, how much money was the firm owed by customers who bought goods or services on account?

PROMPT: WORKSHEET SIDE 2 LINE 7

TAX FORM INFO:

Partnership: 1065 Schedule L Line 2b(d)

S-Corporation: 1120S Schedule L Line 2b(d)

C-Corporation: 1120 Schedule L Line 2b(d)

OR 1120A Part III Lines 2a(b) less 2b(b)

AMOUNT: \$ _____ → **GO TO R2.1**
 EX EX → **GO TO R3**
 DK DK → **GO TO R2.2**
 RF RF → **GO TO R2.3**

R2.1 That's (DOLLAR ENTRY)?

YES 1 → **GO TO R3**
 NO 2 → **GO BACK to R2**

R2.2 Could you give me an estimate?

AMOUNT: \$ _____ → **GO TO R3**
 EX EX → **GO TO R3**
 DK or RF DK or RF

RANGE CHECK: NONNEGATIVE INTEGERS ONLY, R2 & R2.2 >=0

R2.3 Could you indicate whether the firm's accounts receivable and trade notes, minus allowances for bad debts were:

- \$10,000 or less 1
- More than \$10,000 but less than or equal to \$50,000 2
- More than \$50,000 but less than or equal to \$100,000 3
- More than \$100,000 but less than or equal to \$500,000 4
- More than \$500,000 but less than or equal to \$1 million 5
- More than \$1 million but less than \$5 million 6
- \$5 million or more 7
- DK or RF DK or RF

R3. What was the total dollar amount of any inventory of merchandise or production materials held by the firm?

PROMPT: That is, what is the total dollar amount of merchandise for sale or materials for production such as raw materials, work in progress, or finished goods?

PROMPT: WORKSHEET SIDE 2 LINE 8

TAX FORM INFO:

Sole Proprietorship: 1040 Schedule C Part III line 41

Partnership: 1065 Schedule L Line 3d

S-Corporation: 1120S Schedule L Line 3d

C-Corporation: 1120 Schedule L Line 3d OR 1120A Part III Line 3b

AMOUNT: \$ _____ **GO TO R3.1**

EX	.....	EX	→ GO TO R4
DK	.....	DK	→ GO TO R3.2
RF	.....	RF	→ GO TO R3.3

R3.1 That's (DOLLAR ENTRY)?

YES	.....	1	→ GO TO R4
NO	.....	2	→ GO BACK to R3

R3.2 Could you give me an estimate?

AMOUNT: \$	_____	→ GO TO R4
EX	.....	EX → GO TO R4
DK or RF	.....	DK or RF

RANGE CHECK: NONNEGATIVE INTEGERS ONLY, R3 & R3.2 >=0

R3.3 Could you indicate whether the amount of any inventory of merchandise or production materials held by the firm was:

\$10,000 or less	.....	1
More than \$10,000 but less than or equal to \$50,000	.....	2
More than \$50,000 but less than or equal to \$100,000	.....	3
More than \$100,000 but less than or equal to \$500,000	.....	4
More than \$500,000 but less than or equal to \$1 million	.....	5
More than \$1 million but less than \$5 million	.....	6
\$5 million or more	.....	7
DK or RF	.....	DK or RF

- R4. What was the total dollar amount of the firm's other current assets? Do not include cash, accounts receivable and inventory. Other current assets are assets that can be converted to cash, sold, or used up within a year through normal operation of the firm. Examples are bonds, stocks, and prepaid expenses.

PROMPT: Bonds include Treasury bonds and bills, bonds issued by federally sponsored credit agencies, municipal bonds, bonds issued by corporations, and so on.
Stocks include publicly traded stocks held as temporary investments. Do not include stocks held for ownership control or long-term investment.
Prepaid expenses are payments for items such as insurance, interest, rents, taxes, advertising, and operating supplies that were made in advance but had not been used as of [DATE].

PROMPT: WORKSHEET SIDE 2 LINE 9

TAX FORM INFO:

Partnership: . . . 1065 Schedule L Lines 4d+5d+6d

S-Corporation: 1120S Schedule L Lines 4d+5d+6d

C-Corporation: 1120 Schedule L Lines 4d+5d+6d OR 1120A Part III Lines 4b+5b+6b

AMOUNT: \$ _____	→ GO TO R4.1
EX EX	→ GO TO R5
DK DK	→ GO TO R4.2
RF RF	→ GO TO R4.3

- R4.1 That's (DOLLAR ENTRY)?

YES 1	→ GO TO R5
NO 2	→ GO BACK to R4

- R4.2 Could you give me an estimate?

AMOUNT: \$ _____	→ GO TO R5
EX EX	→ GO TO R5
DK or RF DK or RF	

RANGE CHECK: NONNEGATIVE INTEGERS ONLY, R4 & R4.2 >=0

- R4.3 Could you indicate whether the amount of the firm's other current assets was:

\$10,000 or less 1
More than \$10,000 but less than or equal to \$50,000 2
More than \$50,000 but less than or equal to \$100,000 3
More than \$100,000 but less than or equal to \$500,000 4
More than \$500,000 but less than or equal to \$1 million 5
More than \$1 million but less than \$5 million 6
\$5 million or more 7
DK or RF DK or RF

R5. What was the total dollar amount of other investments held by the business, including (all loans to shareholders/partners, and) real estate loans (mortgages) owed to the business? Remember, these are amounts owed to the firm, NOT owed by the firm.

PROMPT: Other investments are any items not yet discussed that were purchased by [FIRM] with the intent to generate a return on the invested capital. Examples are investments in other companies, or artwork owned by the firm.

PROMPT: WORKSHEET SIDE 2 LINE 10

TAX FORM INFO:

Partnership: 1065 Schedule L Lines 7d + 8d

S-Corporation: 1120S Schedule L Lines 7d + 8d + 9d

C-Corporation: 1120 Schedule L Lines 7d+8d+9d OR 1120A Part III Lines 7b+8b

AMOUNT: \$ _____ → **GO TO R5.1**

EX EX → **GO TO R6**

DK DK → **GO TO R5.2**

RF RF → **GO TO R5.3**

R5.1 That's (DOLLAR ENTRY)?

YES 1 → **GO TO R6**

NO 2 → **GO BACK to R5**

R5.2 Could you give me an estimate?

AMOUNT: \$ _____ → **GO TO R6**

EX EX → **GO TO R6**

DK or RF DK or RF

RANGE CHECK: NONNEGATIVE INTEGERS ONLY, R5 & R5.2 >=0

R5.3 Could you indicate whether the amount of all loans to shareholders/partners, real estate loans (mortgages) owed to the business and other investments was:

\$10,000 or less 1

More than \$10,000 but less than or equal to \$50,000 2

More than \$50,000 but less than or equal to \$100,000 3

More than \$100,000 but less than or equal to \$500,000 4

More than \$500,000 but less than or equal to \$1 million 5

More than \$1 million but less than \$5 million 6

\$5 million or more 7

DK or RF DK or RF

R6. What was the book value of any land owned by [FIRM]?

PROMPT: Book value of land represents the value of the land at the time the land was acquired by the firm.

PROMPT: WORKSHEET SIDE 2 LINE 11

TAX FORM INFO:

Partnership: 1065 Schedule L Line 11d

S-Corporation: 1120S Schedule L Line 12d

C-Corporation: 1120 Schedule L Line 12d OR 1120A Part III Line 10b

AMOUNT: \$ _____ → **GO TO R6.1**
 EX EX → **GO TO R7**
 DK DK → **GO TO R6.2**
 RF RF → **GO TO R6.3**

R6.1 That's (DOLLAR ENTRY)?

YES 1 → **GO TO R7**
 NO 2 → **GO BACK to R6**

R6.2 Could you give me an estimate?

AMOUNT: \$ _____ → **GO TO R7**
 EX EX → **GO TO R7**
 DK or RF DK or RF

RANGE CHECK: NONNEGATIVE INTEGERS ONLY, R6 & R6.2 >=0

R6.3 Could you indicate whether the amount of the book value of any land was:

\$10,000 or less 1
 More than \$10,000 but less than or equal to \$50,000 2
 More than \$50,000 but less than or equal to \$100,000 3
 More than \$100,000 but less than or equal to \$500,000 4
 More than \$500,000 but less than or equal to \$1 million 5
 More than \$1 million but less than \$5 million 6
 \$5 million or more 7
 DK or RF DK or RF

R7. What was the net book value as of [DATE] of any buildings and equipment and any other depreciable, depletable or intangible assets?

PROMPT: That is, what was the acquisition cost minus any accumulated depreciation, depletion, and amortization?

PROMPT: Depreciable assets are assets that wear out as they are used or whose usefulness decreases over time.

Depletable assets include natural resources such as mines, timberlands, and oil wells.

Intangible assets include patents, copyrights, franchises, and good will.

PROMPT: The net book value for buildings should not include the value of the land.

PROMPT: WORKSHEET SIDE 2 LINE 12

TAX FORM INFO:

Partnership: 1065 Schedule L Lines 9b(d) + 10b(d) + 12b(d)

S-Corporation: 1120S Schedule L Lines 10b(d) + 11b(d) + 13b(d)

C-Corporation: 1120 Schedule L Lines 10b(d) + 11b(d) + 13b(d)

OR 1120A Part III Line 9b(b)

AMOUNT: \$ _____	→ GO TO R7.1
EX EX	→ GO TO R8
DK DK	→ GO TO R7.2
RF RF	→ GO TO R7.3

R7.1 That's (DOLLAR ENTRY)?

YES 1	→ GO TO R8
NO 2	→ GO BACK to R7

R7.2 Could you give me an estimate?

AMOUNT: \$ _____	→ GO TO R8
EX EX	→ GO TO R8
DK or RF DK or RF	

RANGE CHECK: NONNEGATIVE INTEGERS ONLY, R7 & R7.2 >=0

R7.3 Could you indicate whether the amount the net book value as of [DATE] of any buildings and equipment or any other depreciable, depletable or intangible assets were:

\$10,000 or less 1	
More than \$10,000 but less than or equal to \$50,000 2	
More than \$50,000 but less than or equal to \$100,000 3	
More than \$100,000 but less than or equal to \$500,000 4	
More than \$500,000 but less than or equal to \$1 million 5	
More than \$1 million but less than \$5 million 6	
\$5 million or more 7	
DK or RF DK or RF	

R8. As of [DATE], did the firm have any other assets that were not yet discussed? Examples of other assets are the cash surrender value of life insurance and security deposits.

YES	..... 1	
NO	..... 2	→ FILL R9=\$0, GO TO SKIP45
DK or RF	..... DK or RF	→ GO TO SKIP45

R9. What was the total dollar amount of these other assets not yet described?

PROMPT: WORKSHEET SIDE 2 LINE 13

TAX FORM INFO:

Partnership: 1065 Schedule L Line 13d

S-Corporation: 1120S Schedule L Line 14d

C-Corporation: 1120 Schedule L Line 14d OR 1120A Part III Line 11b

AMOUNT: \$	_____	→ GO TO R9.1
EX	..... EX	→ GO TO READ31
DK	..... DK	→ GO TO R9.2
RF	..... RF	→ GO TO R9.3

R9.1 That's (DOLLAR ENTRY)?

YES	..... 1	→ GO TO READ31
NO	..... 2	→ GO BACK to R9

R9.2 Could you give me an estimate?

AMOUNT: \$	_____	→ GO TO READ31
EX	..... EX	→ GO TO READ31
DK or RF	..... DK or RF	→ GO TO R9.3

RANGE CHECK: NONNEGATIVE INTEGERS ONLY, R9 & R9.2 >=0

R9.3 Could you indicate whether the total dollar amount of these other assets not yet described was:

\$10,000 or less	..... 1
More than \$10,000 but less than or equal to \$50,000	..... 2
More than \$50,000 but less than or equal to \$100,000	..... 3
More than \$100,000 but less than or equal to \$500,000	..... 4
More than \$500,000 but less than or equal to \$1 million	..... 5
More than \$1 million but less than \$5 million	..... 6
\$5 million or more	..... 7
DK or RF	..... DK or RF

READ31: Describe the three largest of these other assets.

IWER INFO: ASK **R10** AND **R11** FOR THE THREE LARGEST ASSETS.

TAX FORM INFO:

Partnership: 1065 Schedule L Line 13d

S-Corporation: 1120S Schedule L Line 14d

C-Corporation: 1120 Schedule L Line 14d

OR 1120A Part III Line 11b

Asset Number	R10. What were the three largest of these <u>other</u> assets?	R11. What was the dollar amount of (ASSET) as of [DATE]?	R11.1 Are there any other assets not yet described?
1		\$_____, or DK or RF or EX	Yes →R10_2; No, DK, RF →SKIP45
2		\$_____, or DK or RF or EX	Yes →R10_3; No, DK, RF →SKIP45
3		\$_____, or DK or RF or EX	NA

RANGE CHECK: NONNEGATIVE INTEGERS ONLY, R11_(1-3) >=0**SKIP45**

IF R1 (OR R1.2) THRU R7 (OR R7.2) AND R9 (OR R9.2) ARE COMPLETE* → **GO TO SECTION S**
 IF ANY ITEMS R1-R9 ARE DK, RF OR A REPORTED RANGE → **GO TO R12**

***COMPLETE IS NONNEGATIVE INTEGER**R12. As of [DATE], what was the total dollar amount of all assets of the firm?

PROMPT: Total assets is equal to the sum of the recorded year-end values of the firm's assets.

PROMPT: WORKSHEET SIDE 2 LINE 14

TAX FORM INFO:

Partnership: 1065 Schedule L Line 14d

S-Corporation: 1120S Schedule L Line 15d

C-Corporation: 1120 Schedule L Line 15d OR 1120A Part III Line 12b

For the businesses that do not complete a balance sheet (because they are not required to complete the balance sheet if they have less than \$25,000 in assets), they indicate on the face of the return the total assets at the end of the year. For these businesses:

Partnership: Form 1065 Line F

S-Corporation: Form 1120S Line E

C-Corporation: Form 1120, Line D OR Form 1120A Line D

AMOUNT: \$ _____

EX EX

DK DK

RF RF

→ **GO TO R12.1**→ **GO TO SECTION S**→ **GO TO R12.2**→ **GO TO R12.3**

R12.1 That's (DOLLAR ENTRY)?

YES 1 → **GO TO SECTION S**
 NO 2 → **GO BACK TO R12**

R12.2 Could you give me an estimate?

AMOUNT: \$ → **GO TO SECTION S**
 EX EX → **GO TO SECTION S**
 DK or RF DK or RF → **GO TO R12.3**

RANGE CHECK: NONNEGATIVE INTEGERS ONLY, R12 & R12.2 >=0

R12.3 Could you indicate whether total assets were:

\$10,000 or less 1
 More than \$10,000 but less than or equal to \$50,000 2
 More than \$50,000 but less than or equal to \$100,000 3
 More than \$100,000 but less than or equal to \$500,000 4
 More than \$500,000 but less than or equal to \$1 million 5
 More than \$1 million but less than \$5 million 6
 \$5 million or more 7
 DK or RF DK or RF

ALL RESPONSES → GO TO SECTION S

Subsection S. LIABILITIES AND EQUITY

READ32: The next questions are about liabilities and equity the firm had as of [DATE]. If the firm is responsible for 50 percent or more of a liability, then please consider it a business liability and include it in your answers.

SKIP46

IF FIRM HAS ANY LOANS, F7, F16, F20, F27, F33, F39 OR F42 =1 → **GO TO READ33**
 IN NO LOANS → **GO TO S1**

READ33: Earlier you said that, at the end of (1998/the fiscal year ending [DATE]), the firm had loans with the following sources...

IWER INFO: READ ALL INSTITUTION NAMES WITH ANY LOANS: LINES OF CREDIT, LEASES, MORTGAGES, MOTOR VEHICLE, EQUIPMENT, LOANS FROM STOCKHOLDERS OR PARTNERS, AND OTHER LOANS.

PROGRAMMER NOTE

IF FIRM IS A PARTNERSHIP (B2 = 2, 3 OR 7) SAY "including any nonrecourse loans" IN S1 & S1.3

S1. As of [DATE] what was the combined amount of any loans, mortgages, notes, or bonds [, or capital leases] [, including any loans from stockholders/, including any nonrecourse loans] that the firm had?

PROMPT: With nonrecourse loans, the partners are not personally liable should the firm not repay the debt. Usually, with nonrecourse loans the creditor can only repossess the collateral.

PROMPT: WORKSHEET SIDE 2 LINE 15

IWER INFO: IF THE AMOUNT HAS ALREADY BEEN PRORATED THEN TAKE THE PRORATED AMOUNT. IF THE AMOUNT HAS NOT BEEN PRORATED, THEN TAKE THE TOTAL VALUE.

TAX FORM INFO:

Partnership: 1065 Schedule L Lines 16d + 18d + 19d

S-Corporation: 1120S Schedule L Lines 17d + 19d + 20d

C-Corporation: 1120 Schedule L Lines 17d + 19d + 20d

OR 1120A Part III Lines 15b + 16b

AMOUNT: \$ _____ → **GO TO S1.1**
 EX EX → **GO TO S2**
 DK DK → **GO TO S1.2**
 RF RF → **GO TO S1.3**

S1.1 That's (DOLLAR ENTRY)?

YES 1 → **GO TO S2**
 NO 2 → **GO BACK to S1**

S1.2 Could you give me an estimate?

AMOUNT: \$ _____ → GO TO S2
 EX EX → GO TO S2
 DK or RF DK or RF

RANGE CHECK: NONNEGATIVE INTEGERS ONLY, S1 & S1.2 >=0

S1.3 Could you indicate whether the firm's combined amount of any loans, mortgages, notes, or bonds [, or capital leases] [, including any loans from stockholders/, including any nonrecourse loans] was:

\$10,000 or less 1
 More than \$10,000 but less than or equal to \$50,000 2
 More than \$50,000 but less than or equal to \$100,000 3
 More than \$100,000 but less than or equal to \$500,000 4
 More than \$500,000 but less than or equal to \$1 million 5
 More than \$1 million but less than \$5 million 6
 \$5 million or more 7
 DK or RF DK or RF

S2. What was the total amount of the firm's accounts payable during (1998/the fiscal year ending [DATE])? Accounts payable is typically money the firm owes to other businesses for supplies and services.

PROMPT: WORKSHEET SIDE 2 LINE 16

TAX FOR INFO:

Partnership: 1065 Schedule L Line 15d

S-Corporation: 1120S Schedule L Line 16d

C-Corporation: 1120 Schedule L Line 16d OR 1120A Part III Line 13b

AMOUNT: \$ _____ → GO TO S2.1
 EX EX → GO TO S3
 DK DK → GO TO S2.2
 RF RF → GO TO S2.3

S2.1 That's (DOLLAR ENTRY)?

YES 1 → GO TO S3
 NO 2 → GO BACK TO S2

S2.2 Could you give me an estimate?

AMOUNT: \$ _____ → GO TO S3
 EX EX → GO TO S3
 DK or RF DK or RF

RANGE CHECK: NONNEGATIVE INTEGERS ONLY, S2 & S2.2 >=0

S2.3 Could you indicate whether the firm's accounts payable during (1998/the fiscal year ending [DATE]) was:

- \$10,000 or less 1
 More than \$10,000 but less than or equal to \$50,000 2
 More than \$50,000 but less than or equal to \$100,000 3
 More than \$100,000 but less than or equal to \$500,000 4
 More than \$500,000 but less than or equal to \$1 million 5
 More than \$1 million but less than \$5 million 6
 \$5 million or more 7
 DK or RF DK or RF

S3. What was the total amount of the firm's other current liabilities? Do not include loans and accounts payable. Other current liabilities are debts, other than those discussed earlier, that are due within one year. Examples include accrued expenses, taxes payable, prepayments, and deposits or advances from customers.

PROMPT: This amount should not include the liabilities that you just reported in the firm's loans and accounts payable.

PROMPT: Accrued expenses are expenses that have been incurred but not yet paid such as salaries, taxes, and interest.
Taxes payable are taxes that are owed but not yet paid such as property, payroll, or income tax.
Prepayments, deposits, and advances from customers are payments made in advance by customers as evidence that they intend to buy a particular product or service.

PROMPT: WORKSHEET SIDE 2 LINE 17

TAX FORM INFO:

Partnership: 1065 Schedule L Line 17d

S-Corporation: 1120S Schedule L Line 18d

C-Corporation: 1120 Schedule L Line 18d OR 1120A Part III line 14b

AMOUNT: \$ _____ → GO TO S3.1
 EX EX → GO TO S4
 DK DK → GO TO S3.2
 RF RF → GO TO S3.3

S3.1 That's (DOLLAR ENTRY)?

YES 1 → GO TO S4
 NO 2 → GO BACK to S3

S3.2 Could you give me an estimate?

AMOUNT: \$ _____ → GO TO S4
 EX EX → GO TO S4
 DK or RF DK or RF

RANGE CHECK: NONNEGATIVE INTEGERS ONLY, S3 & S3.2 >=0

S3.3 Could you indicate whether the firm's other current liabilities were:

- \$10,000 or less 1
 More than \$10,000 but less than or equal to \$50,000 2
 More than \$50,000 but less than or equal to \$100,000 3
 More than \$100,000 but less than or equal to \$500,000 4
 More than \$500,000 but less than or equal to \$1 million 5
 More than \$1 million but less than \$5 million 6
 \$5 million or more 7
 DK or RF DK or RF

S4. As of [DATE], did the firm have any other debts or liabilities that were not yet discussed?

- YES 1
 NO 2 → FILL S5=\$0, GO TO SKIP47
 DK or RF DK or RF → GO TO SKIP47

S5. As of [DATE], how much did (FIRM) owe on other debts or liabilities not yet discussed?

IWER INFO: IF THE RESPONDENT ASKS ABOUT INCLUDING EQUITY, RETAINED EARNINGS, OR CAPITAL ACCOUNTS: Equity, retained earnings, and capital accounts are not included in liabilities. These items are accounted for in the next few questions.

PROMPT: WORKSHEET SIDE 2 LINE 18

TAX FORM INFO:

Partnership: 1065 Schedule L Line 20d

S-Corporation: 1120S Schedule L Line 21d

C-Corporation: 1120 Schedule L Line 21d OR 1120A Part III Line 17b

- AMOUNT: \$ → GO TO S5.1
 EX EX → GO TO READ34
 DK DK → GO TO S5.2
 RF RF → GO TO S5.3

S5.1 That's (DOLLAR ENTRY)?

- YES 1 → GO TO READ34
 NO 2 → GO BACK TO S5

S5.2 Could you give me an estimate?

- AMOUNT: \$ → GO TO READ34
 EX EX → GO TO READ34
 DK or RF DK or RF

RANGE CHECK: NONNEGATIVE INTEGERS ONLY, S5 & S5.2 >=0

S5.3 Could you indicate whether the firm's other current liabilities were:

- \$10,000 or less 1
 More than \$10,000 but less than or equal to \$50,000 2
 More than \$50,000 but less than or equal to \$100,000 3
 More than \$100,000 but less than or equal to \$500,000 4
 More than \$500,000 but less than or equal to \$1 million 5
 More than \$1 million but less than \$5 million 6
 \$5 million or more 7
 DK or RF DK or RF

READ34: Describe the three largest of these other liabilities.

IWER INFO: ASK S6 AND S7 FOR THE THREE LARGEST LIABILITIES.

TAX FORM INFO:

Partnership: 1065 Schedule L for Line 20d

S-Corporation: 1120S Schedule L for Line 21d

C-Corporation: 1120 Schedule L for Line 21d

OR 1120A Part III for Line 17b

Liability Number	S6. What were the three largest of these <u>other</u> liabilities?	S7. What was the dollar amount of (LIABILITY) as of [DATE]?	S7.1 Are there any other liabilities not yet described?
1		\$_____, or DK or RF or EX	Yes →S6_2; No, DK, RF →SKIP47
2		\$_____, or DK or RF or EX	Yes →S6_3; No, DK, RF →SKIP47
3		\$_____, or DK or RF or EX	NA

RANGE CHECK: NONNEGATIVE INTEGERS ONLY, S7_(1-3) >=0

SKIP47

IF S1 (OR S1.2) THRU S3 (OR S3.2) AND S5 (OR S5.2) ARE COMPLETE*

→ GO TO SKIP48

IF ANY ITEMS S1-S5 ARE DK, RF OR A REPORTED RANGE

→ GO TO S8

***COMPLETE IS NONNEGATIVE INTEGER**

S8. As of [DATE], what was the total dollar amount owed by [FIRM] for all debts and liabilities? Do not include equity.

PROMPT: Total liabilities equal the sum of the recorded year-end values for all liability accounts.

PROMPT: WORKSHEET SIDE 2 LINE 19

TAX FORM INFO:

Partnership: 1065 Schedule L for Lines 15d+16d+17d+18d+19d+20d

S-Corporation: 1120S Schedule L for Line 16d+17d+18d+19d+20d+21d

C-Corporation: 1120 Schedule L for Line 16d+17d+18d+19d+20d+21d

OR 1120A Part III for Line 13b thru 17b

AMOUNT: \$ _____	→ GO TO S8.1
EX EX	→ GO TO SKIP48
DK DK	→ GO TO S8.2
RF RF	→ GO TO S8.3

S8.1 That's (DOLLAR ENTRY)?

YES 1	→ GO TO SKIP48
NO 2	→ GO BACK to S8

S8.2 Could you give me an estimate?

AMOUNT: \$ _____	→ GO TO SKIP48
EX EX	→ GO TO SKIP48
DK or RF DK or RF	

RANGE CHECK: NONNEGATIVE INTEGERS ONLY, S8 & S8.2 >=0

S8.3 Could you indicate whether total liabilities were:

\$10,000 or less 1
More than \$10,000 but less than or equal to \$50,000 2
More than \$50,000 but less than or equal to \$100,000 3
More than \$100,000 but less than or equal to \$500,000 4
More than \$500,000 but less than or equal to \$1 million 5
More than \$1 million but less than \$5 million 6
\$5 million or more 7
DK or RF DK or RF

ALL RESPONSES → GO TO SKIP48

SKIP48

ALL SOLE PROPRIETORSHIPS, B3=1 OR 9

→ GO TO SECTION U

IF OTHER FIRM TYPE ANDR1 (OR R1.2) THRU R7 (OR R7.2) & R9 (OR R9.2) ARE COMPLETE*; AND

S1 (OR S1.2) THRU S3 (OR S3.2) & S5 (OR S5.2) ARE COMPLETE* → GO TO SECTION U

IF PARTNERSHIP, B3=2 OR 3 OR 7

→ GO TO S9

IF C-CORP OR S-CORP, B3=4 OR 5 OR 6 OR 8

→ GO TO S10

COMPLETE IS NONNEGATIVE INTEGER*EQUITY -- Partnerships****READ35a:** Now we are going to ask you about equity. Equity is equal to assets minus liabilities. Equity can be negative or positive.

S9. As of [DATE], what was the total amount of [FIRM's] equity?

PROMPT: Equity is sometimes referred to as the partners' capital accounts.

PROMPT: WORKSHEET SIDE 2 LINE 20

TAX FORM INFO:

Partnership: 1065 Schedule L Line 21d

AMOUNT: \$ _____

→ GO TO S9.1

DK DK

→ GO TO S9.2

RF RF

→ GO TO S9.3

S9.1 That's (DOLLAR ENTRY)?

YES 1

→ GO TO SECTION U

NO 2

→ GO BACK TO S9

S9.2 Could you give me an estimate?

AMOUNT: \$ _____

→ GO TO SECTION U

DK or RF DK or RF

S9.3 Could you tell me whether (FIRM) had positive, zero, or negative equity as of [DATE]?

Positive equity 1

→ GO TO S9.4

Zero equity 3

→ GO TO SECTION U

Negative equity 2

→ GO TO S9.5

DK or RF DK or RF

→ GO TO SECTION U

S9.4 Could you indicate whether the positive equity was:

\$10,000 or less	1
More than \$10,000 but less than or equal to \$50,000	2
More than \$50,000 but less than or equal to \$100,000	3
More than \$100,000 but less than or equal to \$500,000	4
More than \$500,000 but less than or equal to \$1 million	5
More than \$1 million but less than \$5 million	6
\$5 million or more	7
DK or RF	DK or RF

ALL RESPONSES ➔ GO TO SECTION U

S9.5 Could you indicate whether the negative equity was:

\$10,000 or less	1
More than \$10,000 but less than or equal to \$50,000	2
More than \$50,000 but less than or equal to \$100,000	3
More than \$100,000 but less than or equal to \$500,000	4
More than \$500,000 but less than or equal to \$1 million	5
More than \$1 million but less than \$5 million	6
\$5 million or more	7
DK or RF	DK or RF

ALL RESPONSES ➔ GO TO SECTION U

EQUITY -- S-Corporations and C-Corporations

READ35b: Now we are going to ask you about equity. Equity is equal to assets minus liabilities. Equity can be negative or positive.

S10. As of [DATE], what was the total amount of [FIRM's] equity?

PROMPT: Equity is the sum of the book value of common and preferred stock, additional paid-in-capital, and retained earnings, less the cost of any treasury stock.

PROMPT: WORKSHEET SIDE 2 LINE 20

TAX FORM INFO:

S-Corporation: 1120S Schedule L Lines 22b(d)+23d+24d+25d less 26d

C-Corporation: 1120 Schedule L Lines 15d less (16 d thru 21d)

OR 1120A Part III Lines 12b less (13b thru 17b)

AMOUNT: \$ _____ → **GO TO S10.1**
 DK DK → **GO TO S10.2**
 RF RF → **GO TO S10.3**

S10.1. That's a [positive/negative] equity of (DOLLAR ENTRY)?

YES 1 → **GO TO SECTION U**
 NO 2 → **GO BACK TO S10**

S10.2 Could you give me an estimate?

AMOUNT: \$ _____ → **GO TO SECTION U**
 DK or RF DK or RF

S10.3 Could you tell me whether (FIRM) had positive, zero, or negative equity as of [DATE]?

Positive equity 1 → **GO TO S10.4**
 Zero equity 3 → **GO TO SECTION U**
 Negative equity 2 → **GO TO S10.5**
 DK or RF DK or RF → **GO TO SECTION U**

S10.4 Could you indicate whether the positive equity was:

\$10,000 or less	1
More than \$10,000 but less than or equal to \$50,000	2
More than \$50,000 but less than or equal to \$100,000	3
More than \$100,000 but less than or equal to \$500,000	4
More than \$500,000 but less than or equal to \$1 million	5
More than \$1 million but less than \$5 million	6
\$5 million or more	7
DK or RF	DK or RF

ALL RESPONSES ➔ GO TO SECTION U

S10.5 Could you indicate whether the negative equity was:

\$10,000 or less	1
More than \$10,000 but less than or equal to \$50,000	2
More than \$50,000 but less than or equal to \$100,000	3
More than \$100,000 but less than or equal to \$500,000	4
More than \$500,000 but less than or equal to \$1 million	5
More than \$1 million but less than \$5 million	6
\$5 million or more	7
DK or RF	DK or RF

ALL RESPONSES ➔ GO TO SECTION U

Subsection U. CREDIT HISToRY

READ36: The next questions are to help us understand the credit history of the firm and its principal owner. As a reminder, the principal owner typically has the largest ownership share and the primary authority to make financial decisions.

U1. Within the past seven years, has the firm or its principal owner declared bankruptcy?

YES	.....	1	
NO	.....	2	➔ GO TO U2
DK or RF	.....	DK or RF	➔ GO TO U2

U1.1 Was bankruptcy declared by the firm, the principal owner, or both?

FIRM	.....	1
PRINCIPAL OWNER	.....	2
BOTH	.....	3
DK OR RF	.....	DK or RF

U2. Within the past three years, on how many different personal obligations has the principal owner been 60 or more days delinquent?

NONE	.....	1
ONE	.....	.2
TWO	.....	3
THREE OR MORE	.....	4
DK or RF	.....	DK or RF

U3. Within the past three years, on how many different business obligations has the firm been 60 or more days delinquent? Please include trade credit, or credit from suppliers.

NONE	.....	1
ONE	.....	.2
TWO	.....	3
THREE OR MORE	.....	4
DK or RF	.....	DK or RF

U4. Within the past three years, have any judgments been rendered against the principal owner?

PROMPT: Judgments are court orders or lawsuits requiring either payment or some action. An example of an action is cessation of infringement on a patent.

YES	.....	1
NO	.....	2
DK or RF	.....	DK or RF

READ37: Banks usually require personal guarantees or collateral from the owners when extending credit or making loans to small businesses. The last three questions are about personal assets the owner of the business has available to pledge as collateral or guarantee for credit extended to the business.

SKIP49

IF B3 = 1 or 9

IF B3 = 5, 6 or 8 AND B3.1 = 2 or DK or RF

→ **GO TO U5**

IF B3 = 2, 3, 4 or 7

IF B3 = 5, 6 or 8 AND (B3.1 = 1 or A10.1 >1)

→ **GO TO READ38**

U5. (Do you/Does the owner) own (your/his or her) home or primary residence?

YES 1

NO 2

→ **GO TO U6**

DK or RF DK or RF

→ **GO TO U6**

U5.1 What is the approximate equity in (your/[OWNER's]) home or primary residence? Please deduct all primary and secondary mortgages, as well as any other home equity loans, from the market value of the house.

PROMPT: WORKSHEET SIDE 2 LINE 21

AMOUNT: \$ _____

→ **GO TO U5.2**

DK DK

→ **GO TO U5.3**

RF RF

→ **GO TO U5.4**

U5.2 That's (DOLLAR ENTRY)?

YES 1

→ **GO TO U6**

NO 2

→ **GO BACK to U5.1**

U5.3 Could you give me an estimate?

AMOUNT: \$ _____

→ **GO TO U6**

DK or RF DK or RF

U5.4 Could you indicate whether the home's equity is:

\$5,000 or less 1

More than \$5,000 but less than or equal to \$10,000 2

More than \$10,000 but less than or equal to \$50,000 3

More than \$50,000 but less than or equal to \$100,000 4

More than \$100,000 but less than \$500,000 5

\$500,000 or more 6

DK or RF DK or RF

U6. Excluding {(your/[OWNER's]) primary home and} the value of [FIRM], what is (your/the owner's) approximate total net worth, that is all (your/his or her) assets minus all debts?

PROMPT: Owner's net worth is the sum of the owner's personal assets less the sum of the owner's personal debts and liabilities. For this question, we want to EXCLUDE the net worth of the owner's house, and net worth of the owner's share of [FIRM].

PROMPT: WORKSHEET SIDE 2 LINE 22

AMOUNT: \$ _____ → **GO TO U6.1**
 DK DK → **GO TO U6.2**
 RF RF → **GO TO U6.3**

U6.1 That's (DOLLAR ENTRY)?

YES 1 → **GO TO REMARKS**
 NO 2 → **GO BACK TO U6**

U6.2 Could you give me an estimate?

AMOUNT: \$ _____ → **GO TO REMARKS**
 DK or RF DK or RF

U6.3 Could you indicate whether (your/the owner's) total net worth is:

\$10,000 or less 1
 More than \$10,000 but less than or equal to \$50,000 2
 More than \$50,000 but less than or equal to \$100,000 3
 More than \$100,000 but less than or equal to \$500,000 4
 More than \$500,000 but less than or equal to \$1 million 5
 More than \$1 million but less than \$5 million 6
 \$5 million or more 7
 DK or RF DK or RF

ALL RESPONSES → GO TO REMARKS

READ38: Once again, please think about the principal owner of the firm. This is typically the (partner/owner) who has the largest ownership share.

U7. Does the principal owner own his or her home or primary residence?

YES 1
 NO 2 → **GO TO U8**
 DK or RF DK or RF → **GO TO U8**

U7.1 What is the approximate equity in the principal owner's home or primary residence? Please deduct all primary and secondary mortgages, as well as any other home equity loans, from the market value of the house.

PROMPT: WORKSHEET SIDE 2 LINE 21

AMOUNT: \$ → **GO TO U7.2**
 DK DK → **GO TO U7.3**
 RF RF → **GO TO U7.4**

U7.2 That's (DOLLAR ENTRY)?

YES 1 → **GO TO U8**
 NO 2 → **GO BACK to U7.1**

U7.3 Could you give me an estimate?

AMOUNT: \$ → **GO TO U8**
 DK or RF DK or RF

U7.4 Could you indicate whether the home's equity is:

\$5,000 or less 1
 More than \$5,000 but less than or equal to \$10,000 2
 More than \$10,000 but less than or equal to \$50,000 3
 More than \$50,000 but less than or equal to \$100,000 4
 More than \$100,000 but less than \$500,000 5
 \$500,000 or more 6
 DK or RF DK or RF

U8. Excluding (the principal owner's primary home and) the value of [FIRM], what is the principal owner's approximate total net worth, that is all his or her assets minus all debts?

PROMPT: Owner's net worth is the sum of the owner's personal assets less the sum of the owner's personal debts and liabilities. For this question, we want to EXCLUDE the net worth of the owner's house, and net worth of the owner's share of [FIRM].

PROMPT: WORKSHEET SIDE 2 LINE 22

AMOUNT: \$ _____ → **GO TO U8.1**
 DK DK → **GO TO U8.2**
 RF RF → **GO TO U8.3**

U8.1 That's (DOLLAR ENTRY)?

YES 1 → **GO TO REMARKS**
 NO 2 → **GO BACK TO U8**

U8.2 Could you give me an estimate?

AMOUNT: \$ _____ → **GO TO REMARKS**
 DK or RF DK or RF

U8.3 Could you indicate whether the principal owner's total net worth is:

\$10,000 or less 1
 More than \$10,000 but less than or equal to \$50,000 2
 More than \$50,000 but less than or equal to \$100,000 3
 More than \$100,000 but less than or equal to \$500,000 4
 More than \$500,000 but less than or equal to \$1 million 5
 More than \$1 million but less than \$5 million 6
 \$5 million or more 7
 DK or RF DK or RF

ALL RESPONSES → GO TO REMARKS

REMARKS: To resolve any discrepancies that might turn up as we look over the notes I've made, we would like to receive worksheets or copies of the firm's balance sheet, income statement, and income tax return. We would appreciate your mailing the completed worksheets or these other records to us in the postage-paid envelope supplied.

PROMPT: If you do not have the postage-paid envelope, our address is:

National Opinion Research Center
 at The University of Chicago
 1525 East 55th Street
 Chicago, Illinois 60615

Thank you for participating in the survey. We greatly appreciate your time and effort. The Federal Reserve will send you a report summarizing the findings of the survey. Have a nice [day/evening]. Goodbye.